

## **Independent Evaluation Office Work Programme and Budget for 2024 and Indicative Work Programme for 2025-2026**

**Owner: Independent Evaluation Office**

**Version: 2023 V1**

**Reviewed by BHRC: 27 November 2023**

**Approved by the NDB Board: 28 November 2023**

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## Abbreviations

BHRC	Budget, Human Resources and Compensation Committee
BoD	Board of Directors
CAF	Development Bank of Latin America
CLE	Corporate Level Evaluation
CPE	Country Portfolio Evaluation
ECG	Evaluation Cooperation Group of Multilateral Development Banks
ESR	Evaluation Synthesis Report
IEO	Independent Evaluation Office
NDB	New Development Bank
PCR	Project Completion Report
PCRv	Project Completion Report Validation

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## **Section I. Background and Context**

1. The New Development Bank's (NDB) Evaluation Policy requires the Independent Evaluation Office (IEO) to prepare its work programme and budget independently from the NDB Management and present the same to the Board of Directors (BoD), through the Budget, Human Resources and Compensation Committee (BHRC), for approval during their last session in the year.
2. Building on good international practice, the preparation of the IEO Work Programme and Budget document for 2024 involved a preliminary step: the preparation of the "Preview of IEO's Results-Based Work Programme." This initial document outlined IEO's Draft Business Plan for 2024, which was presented in September 2023 to the BHRC to facilitate early consultation and feedback from members, which has been thoroughly incorporated into this IEO Work Programme and Budget document for BHRC consideration and subsequent Board approval in November 2023.
3. While the preview document focused on IEO activities for 2024, this document includes IEO's proposed work programme and budget for 2024 as well as an indicative work programme for 2025-2026. The Board is requested to approve the 2024 work programme and budget and provide guidance on the indicative work programme for 2025-2026.
4. In response to the feedback received in the BHRC in September, IEO formulated its first Evaluation Strategy for the period 2024-2026. The strategy is being tabled at the November 2023 Board session for approval. The strategy includes four strategic priorities: (a) Strengthen NDB's developmental impact by evaluating NDB-financed projects and associated activities, deriving lessons and sharing knowledge; (b) Support the further development of NDB self-evaluation capacities and systems; (c) Provide evaluation-based lessons to support the preparation of Bank policies and strategies; and (d) Promote an evaluation and results culture in the Bank and its member countries. While recognizing that the Evaluation Strategy is yet to be approved by the Board<sup>1</sup>, IEO considers it necessary to ensure synergies between the strategy and its 2024 work programme, in particular by transparently illustrating how the activities proposed for 2024 will further the priorities in the Evaluation Strategy.

## **Section II. Implementation of the 2023 Work Programme**

5. This section provides an overview of the progress made by IEO in implementing its activities as agreed with the Board for 2023.<sup>2</sup> In 2023, IEO undertook five evaluations, including three

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<sup>1</sup> The Strategy was subsequently approved by the Board of Directors on 28 November 2023.

<sup>2</sup> Refer to Annex 1 for further details.

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NDB-financed project evaluations in Brazil, China, and South Africa, one corporate-level evaluation of NDB's Financial Architecture, and a thematic evaluation of NDB's Response to the COVID-19 pandemic. All project evaluations, as well as the evaluation of the COVID-19 Emergency Programme, have been completed. The evaluation of NDB's Financial Architecture will be presented to the Board in its first session in 2024. Furthermore, IEO has commenced work on the preparation of an evaluation synthesis report on NDB's Regional Offices and "On-the-Ground Presence", which is scheduled for completion in the first part of 2024.

6. In its March 2023 session, the BoD adopted the methodology for Project Completion Report Validations (PCRVs). Based on this methodology, IEO is currently working on preparing a PCRV for the Lingang Distributed Solar Power Project in China<sup>3</sup>.
7. As mentioned above, as an additional activity, IEO prepared an Evaluation Strategy 2024-2026, which aims to operationalize the NDB Evaluation Policy and generate a common understanding of the approach to evaluations by IEO, taking particularly into account NDB's General Strategy 2022-2026, priorities of member countries, as well as the Bank's specific context and operating model.
8. Beyond that, IEO has launched the production of the NDB Evaluation Manual. The Evaluation Manual will provide the foundations for the conduct of individual evaluations and further support the operationalization of the Evaluation Policy and Strategy. Following discussions in the BoD session of the approach paper for the preparation of the manual in May 2023, IEO has completed a benchmarking exercise of evaluation methodologies employed by comparable organizations and is actively in the process of drafting different sections of the Manual, which will be finalized in the first semester of 2024.
9. In terms of Evaluation Capacity Development (ECD), IEO organized a seminar in Delhi in November 2023, with the broad objective of engaging stakeholders and discussing methodological good practices for conducting evaluations. Additionally, the Director General of IEO visited Bangladesh to explore opportunities for collaboration on ECD matters. As a result, IEO is currently providing support to the Bangladesh Ministry of Planning in the preparation of the country's first National Evaluation Policy. In line with the IEO lecture series and broader ECD activities, two lectures featuring prominent guest speakers<sup>4</sup> were successfully held in January and July, respectively. Regarding knowledge

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<sup>3</sup> A limited number of NDB-financed projects have been completed, and for those completed, final project completion report (PCRs) is available only for the Lingang Distributed Solar Power project.

<sup>4</sup> Dr. Alvario Lario, President of the United Nations International Fund for Agricultural Development and Professor Abhijit Banerjee, Economist, MIT and 2019 Nobel Prize Winner.

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sharing and outreach, in conjunction with the ECD workshop in Delhi mentioned above, IEO held an evaluation seminar on the evaluation of NDB's Response to the COVID-19 pandemic. A seminar on the China project evaluation is being planned in early 2024 in Beijing. The broad purpose of these seminars is to share findings and discuss lessons learned.

10. In terms of partnerships and outreach, IEO took part in June in the gLocal Evaluation Week, actively engaged in the Asian Evaluation Week in Bangkok in September and attended the annual conference of the UK Evaluation Society in London in October, evaluation research conference on the Global South in Doha and the National Evaluation Seminar in Johannesburg in November 2023. The Director General IEO also delivered video recorded statements at the 2023 editions of the Brazil-Africa Forum in Sao Paulo as well as the Sunshine Forum in Beijing by the China International Development Cooperation Agency. Moreover, IEO will be represented at the annual conference of the Asia Pacific Evaluation Association in Manila in December. Last but not least, IEO has applied for membership to join the Evaluation Cooperation Group (ECG) of the Multilateral Development Banks, which is currently under active consideration by the ECG.
11. With regard to staff development, two professional staff onboarded in early 2023 participated in the International Programme for Development Evaluation Training in Bern in July. To conclude, while approving the IEO work programme and budget in December 2023, the Board adopted the IEO Results Framework with nine key performance indicators (KPIs). Progress against the KPI may be seen in Annex IV.

### **Section III. Lessons Learned**

12. This section provides an account of some lessons that IEO has learned while implementing the 2023 work programme and budget. These lessons have been carefully internalized in developing the Evaluation Strategy for 2024-2026 and the IEO Work Programme and Budget for 2024.
13. **The need to find opportunities for wider Board engagement.** The BoD is a primary stakeholder and audience for IEO evaluations, while also having the responsibility for oversight of IEO. As such, it is fundamental for IEO to retain a constant dialogue with Board members to capture their evolving priorities and guidance.
14. **Staggering the timing of evaluations in the annual work programme.** Starting all planned evaluations in IEO's annual work programme in January puts a lot of pressure on the limited IEO human resources. It also causes the clustering of evaluation reports to be reviewed by NDB Management and the BoD. Hence, while ensuring the timeliness of evaluations, IEO

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plans to better stagger the start date of evaluations during the year (e.g., some evaluations may be launched in the second part of the year). This will also ensure a better spread of evaluation reports for feedback by Management and eventual consideration by the Board.

15. **The need to better assess country context during the planning of evaluations.** The Brazil project evaluation recently concluded by IEO was launched in September 2022. However, in light of the national elections in October 2022 and the transition in the federal government, the main evaluation mission had to be deferred to mid-2023. Moving forward and building on this experience, IEO will be more careful in determining the timing of evaluations by also taking into account major events in the concerned country.
16. **The preparation of the IEO budget would be facilitated by a thorough analysis of utilization.** 2023 is the first full year in the implementation of IEO's work programme. At the time of preparing the 2023 budget, IEO did not have access to reliable historical costs for undertaking different types of evaluations in the NDB context. As such, the IEO 2024 budget is informed by an analysis of actual costs incurred in implementing the 2023 evaluations as well as cost benchmarks for conducting evaluations in peer organizations. IEO will continue to closely monitor such costs in the future, to establish more accurate costing of activities in the preparation of its budget.
17. **The need to mobilize local expertise for enhanced evaluation quality and reduce costs.** IEO hires short-term consultants with specific expertise for individual evaluations (e.g., experts on renewable energy, transportation, infrastructure, etc). This is fundamental to undertake thorough and credible evaluations. The experience in 2023 has revealed the advantages of mobilizing such experts based in the countries where the evaluations are undertaken, as they also bring a deeper knowledge of the local context and can help reduce travel and other costs. In this regard, IEO is establishing an internal database with a list of qualified individuals and institutions that could be associated with its evaluations in the future.

#### **Section IV. IEO Work Programme for 2024 and Indicative Work Programme for 2025-26**

18. As outlined in the Evaluation Policy, IEO's main objectives are to contribute to strengthening NDB accountability and learning for improved development effectiveness, as well as to provide independent feedback to the BoD on NDB activities. In order to meet these objectives, IEO plans to conduct a mix of different types of evaluations including corporate-level, country portfolio, and project evaluations, as well as other activities such as evaluation capacity development, partnerships, and knowledge sharing and outreach.

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19. The proposed evaluations are briefly discussed below and summarized in Annex II, whereas Annex III includes the indicative work programme for 2025-26. The proposed start and end dates for individual evaluations shown in Annex II are tentative and will be determined in close collaboration with relevant NDB departments and member countries where specific evaluations will be conducted. Efforts will be made to spread out the timelines of different evaluations to avoid clustering and minimize the burden on NDB management and the Board.
  20. **Corporate-Level Evaluation (CLE)**. In 2024, IEO proposes to undertake two corporate-level evaluations (CLEs), which are on: (i) NDB's Project Life Cycle; and (ii) NDB's Policy Framework. The indicative rolling plan includes two further CLEs, namely on The Ten Years of NDB Activities (2025) and NDB Human Resources Management (2026). Other CLEs will be included in the rolling plan for 2025-26, depending on emerging evaluation priorities of the Bank and feedback from the Management and the BHRC/BoD. These evaluations are briefly discussed below and will contribute to advancing the IEO strategy priorities (a), (b) and (c) mentioned above in paragraph 4.
  21. **The CLE on the Project Life Cycle** will assess the various facets of NDB's project life cycle including approaches, formats, and procedures related to project concept development, design, approval, loan negotiations, supervision, and implementation support. Additionally, the assessment will encompass aspects such as monitoring and reporting project progress, the preparation of project completion reports, and the quality assurance mechanisms throughout the cycle. The evaluation will analyse the allocation of human and financial resources at different stages, the training imparted, and the availability of technical skills for the NDB project life cycle. Furthermore, it will delve into the underlying organizational structures and arrangements that support these critical activities. As mentioned, this evaluation will also cover NDB project supervision and implementation support activities, and therefore, IEO will no longer conduct a separate evaluation on the topic, as had been previously proposed.
  22. IEO will closely coordinate this evaluation with NDB's Internal Audit Department (IAD), which will conduct audits on the controls around project Appraisal, Implementation, Monitoring and Reporting processes in the first semester of 2024, particularly to validate the design and efficiency of internal controls on the project life cycle. On its part, IEO will determine the specific scope of its evaluation once the IAD report is available to ensure that the evaluation generates value-added and explores areas that require additional analysis and insights. As such, the audit and evaluation will be complementary and allow the Bank Management and BoD to have an exhaustive assessment of the topic. In order to



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minimize the burden on colleagues in the Operations Department and other stakeholders, efforts will be made to ensure that both departments coordinate the collection of data and documents from different sources to avoid duplication of efforts in this regard. However, the two activities will be conducted separately to safeguard the independence of both IAD's and IEO's analysis. Moreover, one joint (IAD and IEO) learning seminar will be organized at the end of the audit and evaluation, respectively, to share lessons and good practices with a wider range of stakeholders. Taking into account the timeframes of the IAD audit, the IEO evaluation will be conducted during the second semester of 2024 and completed in the first quarter of 2025 at the latest.

23. **The CLE on NDB's Policy Framework** will assess the Bank's policy coherence by reviewing the types of policies that have been adopted to further the Bank's mandate. It will include an analysis of the policy approval and implementation processes, the guidelines established to operationalise the policies, the frameworks for measuring policy outcomes and results, and the systems for monitoring, evaluation, and potential revisions. Moreover, this evaluation will closely examine the allocation of financial resources invested and the availability of technical expertise required for effective policy design and implementation. Additionally, it will assess the organizational structures in place to support and facilitate the NDB's policy initiatives.
24. **Evaluation synthesis report (ESR) on NDB's Regional Offices and "On-the-Ground Presence"**. The preparation of such a report has already been agreed by the BoD in December 2022<sup>5</sup>. IEO launched this activity at the end of 2023, which will be completed in the first semester of 2024. The ESR will review NDB's initial experience with the establishment of its regional offices to enhance on-the-ground presence. The ESR will not focus on the assessment of performance, but rather on the generation of good practices and lessons. Furthermore, in preparing the ESR, while IEO will assess the practices of other Multilateral Development Banks, it will ensure that any comparisons are carefully considered - taking into account NDB's specific mandate, context, and operational model. One ESR is also planned for each of the years 2025 and 2026, focusing respectively on assessing the efficiency of NDB operations and the evaluation of environmental and social governance. ESRs will particularly contribute to the generation and sharing of lessons and knowledge, thus contributing to advancing strategic priorities (a) and (c) of the Evaluation Strategy.

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<sup>5</sup> The name of this ESR (previous called NDB's Decentralisation) has been changed based on the guidance of the Board.

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25. **Country portfolio evaluation (CPE).** Given that the Bank does not for the time being have country strategies, and different from a country strategy evaluation, IEO proposes to pilot one CPE in India in 2024, which will lay the foundations for other such evaluations in the future. The focus of the CPE will be to assess in a wholistic manner, *inter-alia*, the results of the projects funded, the distribution of NDB funding across the different sectors, the states covered, disbursement performance, the partnerships promoted to strengthen impact, and related activities. The CPE will also assess how operations in India are aligned with the main priorities in NDB's General Strategy. Building on the lessons from the pilot, a CPE will be undertaken in China in 2025, and one in another NDB member country in 2026. CPEs in China and India have been prioritized in 2024-25, as they represent the largest NDB project portfolios in terms of number of projects and lending volumes. Such evaluations will contribute to further strategic priorities (a), (b) and (c) of the Evaluation Strategy.
26. **Project evaluations.** IEO proposes to conduct several project evaluations next year and in 2025-26. This includes a joint evaluation with the Development Bank of Latin America (CAF) of the Pará Sustainable Municipalities Project in Brazil. This project is co-financed by NDB and CAF and offers an opportunity to learn from each other's experiences and good practices as well as to strengthen NDB-CAF partnership. Initial discussions have taken place with concerned colleagues in CAF, who have expressed interest in the joint evaluation. It is important to note that – unlike the other project evaluations done by IEO in 2022-23 – this will be a mid-term evaluation (MTE) as the project is still ongoing with just over 50% of CAF and 75% NDB funding disbursed. MTEs would be done only in exceptional cases and not mainstreamed across numerous operations.
27. Project evaluations are also scheduled to take place in China and South Africa (see Annex II)<sup>6</sup>. The projects have been selected in consultation with the NDB Operations Department and/or the concerned Government authorities. Further project evaluations will be planned in 2025-26 and a tentative list may be seen in Annex III. The final choice of projects for 2025 will be determined in the course of 2024, depending on evolving disbursement rates and project completion dates. In addition, each year in the period 2024-2026, IEO will validate all final project completion reports (PCRs), based entirely on desk reviews. Among others, such validations done by IEO offer an opportunity to help strengthen the quality of future PCRs prepared by NDB Management. Project evaluations are important to further all four IEO strategic priorities.

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<sup>6</sup> A planned project evaluation in Russia will be kept on hold till improvements in the crisis situation.

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28. **Preparation of the first Annual Report on Results based on independent evaluations.** In the second part of 2024, IEO will produce its first annual report on the results of NDB operations. This report will provide a consolidated and aggregate-level overview of Bank results and lessons. It will be informed by the project and other evaluations done by IEO in 2022-2024. Similar annual reports will be produced in 2025-26. The preparation of such an annual report will contribute to the advancement of IEO strategy priorities (a), (c) and (d).
29. **Evaluation methodology and capacity development, and knowledge management.** After the adoption of the Evaluation Strategy, IEO will finalize next year the Evaluation Manual with a coherent roll-out and training plan, which will involve both NDB staff, Board members, as well as individuals and institutions in member countries. The manual is critical to provide guidance for undertaking evaluations as well as to ensure consistency across different evaluations. The manual will help advance all four IEO strategic priorities.
30. IEO will continue to undertake ECD activities, such as training workshops on evaluation methodology, innovative techniques, support countries in developing evaluation policies and methodologies, and other topics. Moreover, IEO will engage in several knowledge and outreach activities, such as the preparation of IEO *Updates*<sup>7</sup>, further development of the IEO web pages on the NDB website, participation in evaluation conferences organized by others, as well as itself organize evaluation stakeholder seminars at NDB HQs and in member countries for selected evaluations. IEO will share its experiences and also search for good practices from peers and others that can be taken up in IEO evaluations. Attention to knowledge and outreach activities will help strengthen the evaluation feedback and learning loop so that Management and member countries have the opportunity to internalize evaluation lessons and recommendations in a timely manner. These activities will be undertaken throughout 2024-2026 and contribute to furthering all four IEO strategic priorities as well.
31. **Evaluation partnerships.** IEO will continue to invest in building partnerships with evaluation offices of other Multilateral Development Banks, United Nations entities, and relevant organizations in member countries. It will also engage with evaluation associations, societies and networks at the national, regional, and global levels. The broad aim of these partnerships is to, *inter-alia*, share knowledge on innovative evaluation techniques, learn from the experience of others, and identify opportunities for joint evaluations and related activities.

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<sup>7</sup> These are two to three-page brochures providing a high-level summary of IEO ongoing and planned activities.

32. Further to the above, IEO is about to complete and sign a memorandum of understanding with the Asia Pacific Finance Development Institute in China for cooperation in evaluation. A Statement of Intent is also being finalized with the Development Monitoring and Evaluation Department (Niti Aayog) in India, and similar cooperation agreements are being explored with relevant organizations in other member countries. IEO has applied for membership in the Evaluation Cooperation Group (ECG) of the Multilateral Development Banks, and should IEO be admitted to the ECG, it will actively participate in this important forum throughout 2024 and thereafter. Last but not least, IEO will continue to engage with the NDB Inter-departmental Working Group on Evaluation as a way to enhance learning from evaluations across the organization, and the High-Level Evaluation Advisory Committee, drawing on the extensive expertise and experience of the members of the Committee to guide key IEO activities. Evaluation partnerships will contribute to advancing IEO strategic priorities (a), (b) and (c).

#### **Section V. Resource Requirements for 2024-2026**

33. **Human resources.** The IEO regular staffing in 2024 (see Table 1) will remain the same as the approved headcount in 2023, with no request for increases. IEO is however requesting the approval of one additional Short-Term Consultant starting in January 2024, including to support the undertaking of the first CPE in India next year, which is a new type of evaluation IEO will pilot.
34. Depending on the work programmes to be approved in 2025-26, IEO may in the future revert to the BHRC and Board for an increase in headcounts. Though the number of IEO staff is much smaller as compared to comparator organizations (see Table 2), it is considered appropriate for the time being - taking into account IEO's requirements and its current evaluation coverage.

**Table 1: IEO Staffing 2024-2026**

Staffing Category	2023	2024	Indicative	
			2025	2026
Director General	1	1	1	1
Professional Staff	5	5	6	7
Support Staff	1	1	1	1
<b>Total Regular Staff</b>	<b>7</b>	<b>7</b>	<b>8</b>	<b>9</b>
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<i>Short Term Consultants</i>	<i>3</i>	<i>4</i>	<i>4</i>	<i>4</i>

**Table 2. Benchmarking: Regular staff in independent evaluation departments of other international organizations<sup>8</sup>**

Comparator	ADB	EBRD	GCF	GEF	IDB	IFAD	NDB	WB
Numbers	65	24	26	19	32	22	7	110

35. **IEO Budget.** The IEO budget structure contains two major categories: staff costs and non-staff costs (revenue expenditure budget).
36. With regard to *non-staff costs*, as requested by BHRC, the proposed IEO budget for 2024 is prepared based on a review of actual costs incurred for evaluations conducted in 2023 as well as benchmarks for different types of evaluations in the Asian Development Bank (ADB). AIIB is not considered an appropriate benchmark for IEO, given their evaluation function is not independent and embedded within the Complaints-resolution, Evaluation and Integrity Unit. Benchmarking with the ADB however needs to be treated with caution, given their scope of operations is limited to the Asia and Pacific Region, whereas IEO evaluations are also undertaken in other continents.
37. The breakdown of non-staff costs provided by the ADB for conducting different types of evaluations is as follows: (i) corporate, thematic and sector-wide evaluations – USD 306,000; (ii) country and sector programme evaluations – USD 174 000; (iii) Annual Evaluation Review Report – USD 73 000; and (iv) project evaluations – USD 40 000.
38. In comparison, IEO budget for 2024 is based on the following costs for different types of evaluation: (i) corporate-level evaluations – USD 150 000; (ii) country portfolio evaluation – USD 150 000; (iii) Annual Evaluation Report – USD 50 000; and (iv) project evaluations – USD 100 000. It is therefore evident that IEO non-staff costs for corporate-level evaluations, country portfolio evaluations and the preparation of the annual evaluation are significantly lower as compared to ADB. The higher cost allocation by IEO for project evaluations can be attributed to the following factors: (i) Higher travel costs to locations like Brazil, Russia and South Africa, as compared to ADB’s primarily Asia-Pacific focus; (ii) IEO organizes in-country multi-stakeholder seminars, which are critical for sharing lessons and good practices emerging from evaluations; and (iii) IEO organizes project site visits in each evaluation to review the activities on the ground and capture feedback directly from beneficiaries and other stakeholders. These are distinguishing features of IEO project evaluations, which are important to ensure their credibility and robustness of analysis.

<sup>8</sup> Data obtained from public sources.

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39. The IEO budget for 2024, based on the proposed work programme is shown in Table 3 below, which includes cost allocations for evaluation work as well as other activities such as ECD, knowledge sharing, partnerships, IEO staff training and others.
  40. As seen from Table 3, the increase in IEO non-staff costs is driven by the increase in the professional consultancy and services category. This is due to the larger number of evaluation products IEO plans to prepare in 2024 as compared to 2023 as well as greater attention to strengthening the evaluation learning and feedback loop, evaluation capacity development and roll-out of the Evaluation Manual. More specifically, while IEO worked on 5 major evaluations in 2023<sup>9</sup>, the 2024 work programme foresees the preparation of 8 major evaluation products<sup>10</sup>. Additionally, a small provision has been included for staff training, especially for new professional staff to be onboarded next year, which was not included in 2023.
  41. Despite the greater number of evaluation products in 2024, other expense categories (e.g., travel, etc) are budgeted at the same level as in 2023, as IEO will strive to generate efficiency gains in the way it conducts evaluations. This will include, *inter-alia*, mobilization of a greater number of national consultants from the countries where evaluations will be undertaken, combining evaluation missions where possible (e.g., by collecting data during project evaluations for other evaluations such as the CLE on NDB's policy framework), and others.
  42. The BoD has agreed that 2024 onwards, the IEO *staff costs* (salary and related benefits) will be included within and approved as part of the IEO annual budget. Hence, Table 3 includes IEO staff costs, which is based on the figures provided by NDB's Human Resources Department and therefore consistent with staff costs in the rest of the Bank. The IEO staff costs for 2024 reflect the current composition and varying seniority levels of the headcount in the Department.
  43. The total IEO budget for 2024, both staff costs and non-staff costs equals USD 4.3 million. This represents 3.1 percent of the NDB's proposed budget for next year, assuming NDB 2024 total budget is USD 136.2 million. If the Bank's total budget were to be equally shared among its 21 departments, which is understandably not the case, each department would have access to USD 6.48 million. Even against this rather rudimentary hypothesis, the IEO budget for 2024 falls well below the mark.

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<sup>9</sup> One corporate-level evaluation, one sector/thematic evaluation and three project evaluations.

<sup>10</sup> Preparation of the first Annual Evaluation Report, two CLEs, one CPE, four project evaluations.

**Table 3: Proposed IEO Budget for 2024 (USD)**

Expense Category	Approved 2023	Proposed 2024
<b>A. Staff Costs</b>		
Staff	-	2 086 000
Short-term Consultants	-	600 000
<b>Total</b>	-	<b>2 686 000</b>
<b>B. Non-Staff Costs</b>		
Professional Consultancy and Services	850 000	1 175 000
Partnerships & Evaluation Capacity Development	100 000	100 000
Travel	210 000	210 000
Conference, Meetings and Hospitality	90 000	90 000
Staff Training	-	25 000
<b>Total</b>	<b>1 25 0000</b>	<b>1 600 000</b>

44. Finally, Table 4 below shows the overall annual evaluation budgets (staff and non-staff costs) in other organizations. Any such benchmarking needs to be treated with caution, given the different mandates, portfolio sizes, lending volumes, and geographic coverage of the respective organizations. Nevertheless, based on the absolute numbers, IEO’s budget for 2024 is the smallest as compared to its peers.

**Table 4. Benchmarking: Total budgets of independent evaluation departments of other international organizations<sup>11</sup>**

Comparator	ADB	EBRD	GCF	GEF	IDB	IFAD	NDB	WB
USD million	15.99	4.84	6.28	8.34	10.67	5.95	4.3	41.4
Year	FY23	FY23	FY24	FY24	FY23	FY24	FY24	FY24

## Section VI IEO Results Framework

45. IEO is committed to a sharp focus on results as measured primarily by the quantity and quality of its outputs. To that end, IEO is monitoring its performance against several Key Performance Indicators (KPIs), previously approved by the BoD last year. See Annex IV for progress against the KPI.

<sup>11</sup> This includes staff and non-staff costs. Only those organizations have been included whose data was readily available from public sources.

## Annex I. Implementation Progress of Evaluations 2023

Evaluation Activities	Project/Topic	Start Date	End Date	Remarks
<b>IEO Policy Framework</b>	IEO Evaluation Strategy	Sep-2023	Nov-23	<b>Completed.</b> As agreed with BHRC in September 2023, IEO developed an Evaluation Strategy for 2024-2026 to be presented to the BoD in November 2023. This was an additional, unforeseen deliverable produced by the Department.
<b>Corporate-Level Evaluation</b>	NDB's Financial Architecture	Apr-23	Dec-23	<b>On-track.</b> Presentation will be made to the Board in its first meeting in 2024.
	Project Supervision and Implementation Support	N/A	N/A	<b>Deferred.</b> As agreed with BoD, this evaluation was deferred to make space for the CLE on NDB's Financial Architecture.
<b>Sector /Thematic Evaluation</b>	COVID-19 Emergency Loans	Jan-23	Sep-23	<b>On-track.</b> Presentation to the Board in November 2023. Final evaluation stakeholder's seminar held in New Delhi on 7 November 2023.
<b>Evaluation Synthesis Report</b>	NDB's Regional Offices and "On-the-Ground presence"	Sep-23	Mar-24	<b>On-track.</b> Phase 1 (preparation of approach paper and data collection) will be completed by end 2023. The final report will be presented to BoD in its first meeting in 2024.
<b>Project Evaluations</b>	Brazil Renewable Energy Projects and Associated Transmissions	Sep-22	Sep-23	<b>Completed.</b> Presentation to the Board in November 2023. Evaluation took longer than anticipated in light of federal elections and government transition.
	China Luoyang Metro Project	Jul-23	Dec-23	<b>Completed.</b> Presentation to the Board in November 2023. Final evaluation stakeholders' seminar planned in Beijing before end 2023 or January 2024.



Evaluation Activities	Project/Topic	Start Date	End Date	Remarks
	Russia Sustainable Infrastructure in relation to “ZapSibNefteKhim” Project	N/A	N/A	<b>On hold.</b> It was agreed with BoD and NDB Management to keep this evaluation on hold in light of the global context.
	South Africa Greenhouse Gas Emission Reduction and Energy Sector Development Project	Feb-23	Sep-23	<b>Completed.</b> Presentation to the Board in November 2023.
<b>Project Completion Report Validation (PCRVR)</b>	All project completion reports (PCRs)	N/A	N/A	Methodology for PCRVR adopted in March 2023. IEO is preparing its first PCRVR of the Lingang Distributed Solar Power project in China to be completed by end 2023.
<b>Methodology</b>	Development of NDB Evaluation Manual	May-23	Jun-24	<b>On-track.</b> Benchmarking of methodologies of peer organisations completed. Preparation of manual will be finalized after the adoption of the Evaluation Strategy 2024-2026.
	Evaluation Capacity Development	Jan-23	Ongoing	<b>On-track.</b> Two IEO lecture series held in January and July 2023, respectively. Workshop on methodological good practices for conducting evaluations held in India on 7 November 2023. Several other activities undertaken.
<b>Evaluation Partnerships</b>		Jan-23	Ongoing	<b>Ongoing.</b> Application to join ECG under active consideration. MOU and SOI, respectively, to be signed with APFDI and DMEO before end 2023. Planning of joint project evaluation in Brazil with CAF.
<b>Evaluation Knowledge Sharing</b>		Jan-23	Ongoing	<b>Ongoing.</b> Upkeep of IEO webpages; IEO newsletters issued; Participation in numerous external events to share evaluation knowledge; use of social media for dissemination; and others.
<b>Evaluation Process Tracking System</b>		Jan-23	Ongoing	<b>On-track.</b> Internal budget monitoring system implemented.

## Annex II. Work Programme for 2024 and Tentative Timelines

Activity	Projects/Topics	Start Date	End Date	Link to IEO Strategic Priorities
<b>Annual Report on Evaluation</b>	Annual Report on NDB Results and Impact	Sep-24	Dec-24	(a), (c), (d)
<b>Corporate-Level Evaluation</b>	NDB's Project Life Cycle	Jun-24	Dec-24	(a), (b), (c)
	NDB's Policy Framework	Jan-24	Sep-24	(a), (b), (c)
<b>Country Portfolio Evaluation</b>	India	Jan-24	Sep-24	(a), (b), (c)
<b>Evaluation Synthesis Report</b>	Lessons from NDB's Regional Offices and "On-the-ground-presence"	Sep-23	Mar-24	(a), (c)
<b>Project Evaluations</b>	Brazil: Para Sustainable Municipalities Project	Jan-24	Sep-24	(a), (b), (c), (d)
	China: Putian Pinghai Bay Offshore Wind Power Project	Jan-24	Jun-24	(a), (b), (c), (d)
	South Africa: Renewable Energy Sector Development Project	Jan-24	Jun-24	(a), (b), (c), (d)
<b>Project Completion Report Validation</b>	All Project Completion Reports produced during the year validated by IEO	Jan-24	Dec-24	(a), (b)
<b>Evaluation Methodology</b>	Finalization and roll-out of NDB Evaluation Manual	Jun-23	Jun-24	(a), (b), (c), (d)
	Two in-country evaluation capacity development workshops	Jan-24	Dec-24	(a), (b), (c), (d)
<b>High-Level Evaluation Advisory Committee</b>	One virtual and one in-person meeting	Jan-24	Dec-24	(a)
<b>Inter-departmental Working Group on Evaluation</b>	One meeting in each quarter	Jan-24	Dec-24	(a)
<b>Evaluation Knowledge Management and Outreach</b>	IEO Updates (two); IEO Lecture Series (one); Further development and upkeep of IEO web pages; Exchange of experiences with peers and others; Organization of seminars; and other activities	Jan-24	Dec-24	(a), (b), (c), (d)
<b>Evaluation Capacity Development and Partnership</b>	MOUs with: (i) Implementation Monitoring and Evaluation Division, Ministry of Planning, Bangladesh; and (ii) Brazilian Monitoring and Evaluation Network; Participate actively in annual evaluation conferences (e.g., Asian Evaluation Week, EvalFest by the Evaluation Community of India, and others); Organize ECD activities in member countries; Participate in ECG activities; and others	Jan-24	Dec-24	(a), (b), (c)

**Annex III. Indicative Work Programme for 2025-2026 and Tentative Timelines<sup>12</sup>**

Activity	Projects/Topics	Year
<b>Annual Report on Evaluation</b>	Annual Report on NDB Results and Impact	2025 & 2026
<b>Corporate-Level Evaluation</b>	Ten-Year Evaluation of NDB's Activities	2025
	NDB's Human Resources Management	2026
<b>Country Portfolio Evaluation</b>	China	2025
	Brazil, Russia or South Africa	2026
<b>Evaluation Synthesis Report</b>	Efficiency of NDB operations	2025
	Environmental and Social Governance	2026
<b>Project Evaluations</b>	Brazil: North Region Transportation Infrastructure	2025
	India: REC Renewable Energy Project	2025
	Russia: Russian Maritime Sector Support Program	2025
	South Africa: The National Non-Toll Roads Management Program	2025
	Brazil: Banco do Brasil Sustainable Finance Project	2026
	China: Jiangxi Industrial Low Carbon Restructuring and Green Development Pilot Project	2026
	India: Rajasthan Water Sector Restructuring Project-Tranche 1	2026
	Russia: The Development of Water Supply and Sanitation Systems Project	2026
	South Africa: Renewable Energy Integration and Transmission Augmentation	2026
<b>Project Completion Report Validation (PCRV)</b>	All Project Completion Reports produced during the year validated by IEO	2025-2026
<b>Evaluation Methodology</b>	Online training of evaluation manual, Framework for impact assessment, Framework for additional IEO products	2025-2026
<b>High-Level Evaluation Advisory Committee</b>	One virtual and one in-person meeting	2025-2026
<b>Inter-Departmental Working Group on Evaluation</b>	One meeting in each quarter	2025-2026
<b>Evaluation Knowledge Management and Outreach</b>	IEO Updates; IEO Lecture Series; In-country seminars for selected evaluations; Joint evaluations; Further development and upkeep of IEO web pages; Development of on-line Evaluation Knowledge System; Exchange of experiences with peers and others, and other activities	2025-2026

<sup>12</sup> This is tentative list of activities for 2025-2026. The final list for each year will be approved as part of the IEO annual work programme and budget.

Activity	Projects/Topics	Year
<b>Evaluation Capacity Development and Partnership</b>	Possible MOUs with: (i) The National Division of Evaluation and Monitoring, Ministry of Social Development, Uruguay; and (ii) Monitoring and Evaluation system of the UAE; Organize and participate actively in annual evaluation conferences; Organize ECD activities in member countries; Participate in ECG activities; and others	2025-2026

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**Annex IV. Progress Against Agreed KPIs as of end October 2023**

Key Performance Indicators	Baseline 2022	Target	Status
Percentage of evaluation recommendations agreed by Management	n.a.	90%	Almost 100%
Percentage of agreed corporate-level recommendations implemented satisfactorily	n.a.	90%	n.a. <sup>13</sup>
Number of evaluation outputs (target end 2026)	2	10	5
Proportion of active countries covered through evaluations	2	75%	150%
Feedback received from BOD	n.a.	Monitored	Monitored
Feedback of Evaluation Advisory Committee on evaluation quality	n.a.	Monitored	Monitored
Number of learning events organised by IEO	2	3	3
Percentage of non-staff budget utilized	88%	>90%	99% <sup>14</sup>
IEO non-staff budget as proportion of NDB administrative budget	0.80%	<3%	1.5%

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<sup>13</sup> Can only be determined once NDB Management introduces their first report on the implementation of independent evaluation recommendations.

<sup>14</sup> Forecasted by end 2023.