

New Development Bank

Independent Evaluation Office Strategy 2024-2026

Owner: Independent Evaluation Office

Version: November 2023 V1

Approval by the Board of Directors on 28 November 2023

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Change Log

| Revision Date | Chapter Revised | Revision Details |
|---------------|-----------------|------------------|
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Abbreviations

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| BoD | Board of Directors |
| BHRC | Budget, Human Resources and Compensation Committee |
| EMDCs | Emerging Markets and Developing Countries |
| IEO | Independent Evaluation Office |
| KPIs | Key Performance Indicators |
| MDB | Multilateral Development Bank |
| NDB | New Development Bank |
| PCR | Project Completion Report |

Independent Evaluation Office Strategy 2024-2026

Section 1. Background and Context

- NDB General Strategy.** On May 19, 2022, the Board of Governors of the New Development Bank (NDB) adopted the General Strategy 2022–2026¹, which “sets the course for the Bank’s evolution into a leading provider of solutions for infrastructure and sustainable development for Emerging Markets and Developing Countries (EMDCs). Seeking to elevate NDB to a higher standard of operational excellence and development impact, the Strategy targets enhancements in the Bank’s capacity to mobilise resources at scale, finance diversified types of projects, employ sophisticated instruments, maximize impact, and continue building a robust institutional profile”. Within the strategy, NDB also sought to strengthen transparency and accountability through reviews and reports from relevant departments, including the Independent Evaluation Office (IEO).
- NDB Evaluation Policy.** NDB has put in place an Evaluation Policy,² approved by the Board of Directors (BoD) on 24 August 2022. The document sets out the overarching framework for conduct of evaluations in the NDB. The “goal of evaluation is to improve NDB’s development effectiveness and to further the achievement of the Bank’s mandate. IEO is responsible for the independent evaluation of NDB strategies, policies, initiatives, processes and operations,³ with the aim of identifying lessons and providing recommendations for improving the efficiency and effectiveness of the Bank. IEO’s aim is also to inform the Board of Directors and Management of the results achieved by the Bank in order to enhance the accountability of the organization and ultimately to strengthen and drive the quality of the Bank’s interventions in delivering results in its member countries”.
- IEO Strategy.** The IEO Strategy 2024-2026, the first such document, aims to operationalize the NDB Evaluation Policy and generate a common understanding on the approach to evaluations by IEO, taking particularly into account NDB’s General Strategy 2022-2026, the Bank’s specific context and operating model and member country priorities. Distinct from most other multilateral development banks (MDBs), the NDB was established by emerging markets and developing countries (EMDCs) and its shareholders are all EMDCs, majority of whom are NDB borrowing member countries. By operating with a member country and

¹ ndb.int/wp-content/uploads/2022/07/NDB_StrategyDocument_Eversion-1.pdf

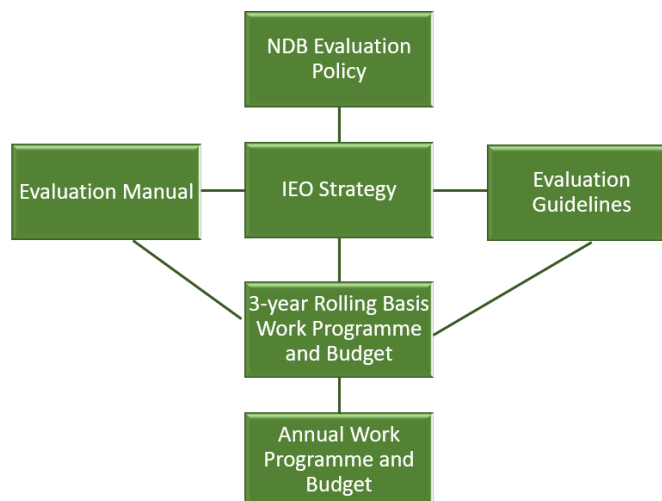
² [IEO_Final-Evaluation-Policy-1.pdf \(ndb.int\)](https://ndb.int/wp-content/uploads/2022/08/IEO_Final-Evaluation-Policy-1.pdf)

³ This includes evaluation of NDB corporate processes and policies such as human resources, governance and others.

client-centric approach, the Bank also maintains a sharp focus on providing tailored solutions, including financing, credit enhancement, capacity building, and project development support that respond to the different development contexts in the various regions. This further calls for a tailored approach to independent evaluation activities, methodologies, and processes at the Bank, with careful attention to member country ownership and participatory processes, without at any time compromising the independence of the evaluation function.

4. The IEO strategy is aligned with the second NDB General Strategies 2022-2026 and covers the remaining three-year period (2024-2026) of the General Strategy. The IEO strategy will be revised after the approval of the Bank's third General Strategy beyond 2026. This will ensure that the IEO priorities are updated and aligned with the Bank's evolving focus areas, as appropriate. The main audience of the IEO strategy are the Board of Directors (BoD), the NDB Management and staff, IEO, and relevant stakeholders in member countries.
5. The strategy will be part of the "Policy Framework" guiding the work, functioning and oversight of IEO (see figure 1), an integral department of the Bank but with a direct and exclusive reporting line to the BoD. The BoD has the ultimate responsibility for ensuring the coherence of the IEO Policy Framework and its full, proper, and timely implementation. The IEO three year rolling work programme, of which its annual work programme and budget is an integral part, will be the key instrument for implementing this strategy. The Evaluation Manual to be finalized in 2024 will provide the foundations for the conduct of individual evaluations and further support the operationalization of the Evaluation Policy and Strategy.
6. Like other departments and within the broader framework of the Evaluation Policy, IEO is required to follow established NDB operating policies and guidelines (e.g., for travel, expenditures, procurement, etc). Nevertheless, taking into account the independence of IEO enshrined in the Evaluation Policy, the Evaluation Guidelines (under preparation) will provide clarity on any refinements required to NDB operating policies and guidelines warranted to safeguard the independence of IEO and prevent any conflict of interest in decision-making.

Figure 1. IEO Policy Framework



Section 2. IEO Strategic Priority

7. **Lessons learned.** The IEO Strategy 2024-2026 internalizes experience and lessons learned during the first 20 months since the establishment of the Office, in April 2022. These include but are not limited to: the need to ensure the independence of IEO and the sustainability of its independence; for IEO to pursue a strong dialogue with NDB Management in general and frequent consultations with Board members on specific topics including during the preparation of the IEO work programme; prioritization of evaluation topics that have the potential to strengthen the Bank’s development impact and improve internal procedures and efficiencies; the importance of customizing evaluation methodologies and processes to the Bank’s context and its member countries including evaluation capacity development; the need to ensure coherent training of NDB staff and individuals and institutions in member countries on evaluation methodologies; and devote attention to evaluation knowledge sharing, feedback loops and partnerships that can help the replication of successful operations and scaling up of impact.
8. **IEO Strategic Priorities.** Building on the above lessons learned and taking into account IEO’s goal (see para 2 above), the four mutually reinforcing IEO Strategic Priorities for the period 2024-2026 are to:

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- (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.
 9. The above priorities are in line with the key objectives in the Bank’s General Strategy 2022-2026 which calls, *inter-alia*, for financing for impact, strengthening the development impact management framework, leveraging knowledge and partnerships, internalizing lessons learned, provision of technical assistance, managing development results, quest for quality, improving governance, transparency, and accountability, and implementing Bank-wide monitoring systems. The IEO Strategic Priorities are also consistent with the recent outcome declaration⁴ of the 2023 BRICS Leaders Summit, which notes the need for “improvements in corporate governance and operational effectiveness towards the fulfilment of NDB’s General Strategy for 2022-2026” as well as for “the NDB to play an active role in knowledge sharing process and incorporate the member-countries’ best practices in its operational policies”.
 10. **Achieving the priorities.** To achieve its priorities, IEO will enhance the products already in place and complete the production of the Evaluation Manual to operationalize the Evaluation Policy. The Manual will capture the methodological and process details for IEO evaluations, whereas the Evaluation Guidelines will bring clarity to the modalities and processes of interaction between IEO and NDB Management. IEO will also strengthen its product mix as discussed in Section 3 below. Having said that, it is also important to note that independent evaluations cannot be seen in isolation from the self-evaluation function which falls under the responsibility of the NDB Management, and the two systems will need to work in a coordinated manner.
 11. The three-year rolling work programme along with the annual work programme and budget will be the key instrument to advance the above-mentioned IEO Strategic Priorities. Starting from 2024, in presenting its annual work programme to the Budget, Human Resources and Compensation Committee (BHRC)/BoD, each proposed activity will be mapped to one or more IEO Strategic Priorities, as appropriate, to bring reassurance of the alignment between the Strategic Priorities and the work programme. Annual performance

⁴ [Jhb II Declaration 24 August 2023.pdf \(www.gov.za\)](#)

will be measured against the Key Performance Indicators (KPIs) already agreed with the BoD (see annex 1) as well as the additional indicators/targets proposed to monitor this strategy's implementation (see Section 4).

Section 3. Key Components of the Strategy

12. Key components of the strategy are discussed in this section under the headings: (a) the imperative for customization to the NDB context; (b) selectivity and prioritization of evaluations; (c) evolution of the IEO product mix; (d) evaluation quality assurance; (e) use of innovative evaluation methodologies and processes; (f) disclosure; (g) partnerships for knowledge sharing and evaluation capacity development; and (h) building evaluation ownership and culture through stakeholder engagement.
13. **The imperative for customization to the NDB context.** NDB has a specific genesis and mandate and a distinct operating model focusing on country ownership, use of country systems, consultation, engagement and dialogue, and a membership-driven imperative. It does not impose major policy conditionalities along with its investments and nurtures local initiatives.
14. The Evaluation Policy notes that IEO “methodologies, while adapted to NDB specific mandates and context, must reflect established internationally agreed standards”. As such, building on the international good practices and standards followed by the Evaluation Cooperation Group (ECG) of the MDBs, IEO evaluations will be adapted to respond to the aforementioned and related NDB methods of working, in particular when designing methodologies and processes for individual evaluations. One example is to ensure that the timing of evaluations is determined jointly in consultation with relevant stakeholders, and not imposed unilaterally by IEO. Another example is not to use the internationally recognized evaluation criteria in a mechanicalistic manner but tailored to NDB context and the nature and special circumstances of the evaluation. The purpose of doing so is not to avoid any methodological best practice or make them less rigorous, but rather to make them more relevant and impactful.
15. In addition to the above, given NDB's unique membership composition, the Board might have specific requests to IEO and prioritize evaluation topics that are different as compared to those covered in other MDBs. As mentioned above, IEO will therefore need to retain a close dialogue with the Board and Management, both formally and informally, when developing its work programme. In a similar spirit, IEO will have to carefully consider the evaluation needs of new NDB member countries, though it is unlikely that projects in such

countries will be mature for independent evaluations in this strategy period. As such, engagement in these cases could focus on evaluation capacity development, knowledge sharing and partnerships, at least in the near future.

16. An important part of the customization will be for IEO to assess if and how environmental, social, and financial sustainability is being pursued as well as assess how NDB's emerging lending is different from the recent past. Similarly, as subscribed by the NDB President as part of the Statement of the Heads of MDBs Group at Marrakech in October 2023,⁵ as appropriate, evaluations will focus on assessing progress in scaling up financing capacity, boosting joint action on climate, enhancing country-level collaboration, strengthening co-financing, and catalysing private sector engagement. The imperative for customization will be critical to especially meet strategic priority (a) of the strategy, as a basis for strengthening NDB's developmental impact through independent evaluation activities.
17. **Selectivity and prioritization of evaluations:** Taking into account NDB priorities, careful attention will be devoted to selecting and prioritizing evaluations. Some principles that IEO will follow in including evaluations in its work programme are as follows: (i) ensure proper coordination with the work done by other relevant departments/divisions to ensure independent evaluations are only done to add value beyond the analysis in other available studies, audits or reviews; (ii) prioritize topics and operations for evaluation taking into account requests by the BoD, NDB Management and/or member countries as well as views of the Inter-Departmental Working Group on Evaluation;⁶ (iii) time the conduct of evaluations in coordination with recipients and relevant NDB departments to ensure their availability to engage in the evaluation process as well as to generate lessons and recommendations that can feed into further processes in a timely manner, such as conducting evaluations ahead of the planned revision of an NDB policy or strategy, or the design of a second or subsequent phase of a project; (iv) select projects and topics and themes to be covered by evaluation to fill knowledge gaps for strengthening NDB impact; (v) take into account NDB's focus on clean energy and energy efficiency, transport infrastructure, water and sanitation, digital infrastructure, environmental protection, social infrastructure; and (vi) evaluate projects that have innovative features with the potential for replication and/or scaling up.

⁵ <https://www.worldbank.org/en/news/statement/2023/10/13/statement-of-the-heads-of-multilateral-development-banks-group-strengthening-our-collaboration-for-greater-impact>.

⁶ Including representatives of a variety of NDB Departments, established in early 2023, with the broader aim of exchanging views on evaluation-related matters of significance to the Bank. The Working Group is Co-Chaired by the Director Generals of IEO and the Project Portfolio Management Department and meets at least on a quarterly basis.

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18. **Evolution in IEO product mix:** It is important that IEO has a product mix of different types of evaluations to ensure adequate coverage of operations as well as NDB policies, strategies, and processes. Since its establishment, IEO has conducted corporate level, thematic and project evaluations (both of completed and ongoing operations), and also worked on an evaluation synthesis report. It has begun validation of Project Completion Reports (PCRs) prepared by NDB Management, which are important to help strengthen the preparation and quality of future PCRs and provide an independent assessment of results. In addition to continuing these products and focusing on strategic themes and topics,⁷ IEO will explore introducing other evaluation products in the strategy period to meet the objectives of the Evaluation Policy. Moreover, the evolution of the IEO product mix will be informed by the selection and prioritization of evaluations and the human and financial resources available to the Office.
19. At the moment, given that the Bank started operations eight years ago and the maturity of its project portfolio, IEO is evaluating projects before completion or soon thereafter. As the NDB project portfolio matures and the number of completed operations increase, IEO will be in a position to do *ex-post* evaluations, which will enable a more thorough assessment of impact and sustainability.
20. In light of the aforementioned, selectively, IEO will undertake some real-time evaluations (e.g., mid-term evaluations of projects), especially of emergency operations. The aim of such evaluations is to assess performance and provide recommendations for the remaining period of implementation towards ensuring better outcomes at completion. Conducting real-time evaluations will not be mainstreamed across the portfolio, but only undertaken in special circumstances on an exceptional basis. In conducting real-time evaluations, for example, IEO will draw on self-evaluation data available in internal NDB systems and progress reports prepared by project authorities as well as studies of relevance prepared by others. Conclusions will be carefully drawn up, taking into account the ground realities and implementation opportunities and challenges faced.
21. As part of this evolution, in due time and in collaboration with project design teams, IEO may wish to pilot a *quasi-experimental* “impact evaluation” – which are much more quantitative than traditional evaluations - using known techniques such as randomized control trials. Similarly, IEO may wish to conduct cluster project evaluations, which would

⁷ For example, during the strategy period, IEO will undertake a number of corporate level evaluation such as on NDB’s policy framework and others. As part of such evaluations, *inter-alia*, IEO will also assess the monitoring mechanisms put in place by Management for the implementation of NDB policies and strategies.

entail selecting a number of projects in the same sector across borrowing countries. Project evaluations in general offer the opportunity for IEO to also review the (self-)monitoring and reporting systems for documenting project progress that are in place and any improvements that may be needed.

22. Joint evaluations with like-minded organizations are powerful instruments for enhanced cross-fertilization of experiences and learning, and IEO plans at least one such evaluation in this strategy period. Through joint evaluations, IEO can focus on evaluating NDB partnerships, what makes NDB financing unique and develop/improve joint evaluation methodology. In addition to doing joint evaluations with other MDBs, opportunities to conduct joint evaluations will be explored also with national development banks, government entities responsible for evaluation, newly established institutions, and other such organizations in NDB member countries.
23. The Bank does not for the time being have country strategies and different from country strategy evaluations, Country Portfolio Evaluations (CPE) offer the opportunity to review the entirety of projects financed by the Bank in a single country. During this strategy period, therefore, IEO will undertake some CPEs, which will be done only periodically (e.g., every 4-5 years) in each borrowing country. Among others and apart from generating wider lessons, CPEs will assess how NDB tools, services and instruments are evolving in a particular country and generate findings and recommendations that will be particularly useful to guide ongoing operations that still have to be completed. Moreover, CPEs will allow IEO to assess how the Bank is operationalizing its General Strategy in borrowing member countries.
24. Furthermore, IEO will introduce a new output - an annual report based on independent evaluations starting from 2024, which would provide an overview of aggregate performance of NDB operations and related activities. Such an annual report would summarize key findings and lessons from previous year's evaluations and offer suggestions for addressing development challenges in member countries. This would be consistent with the practice in other MDBs (Asian Development Bank, African Development Bank Group, World Bank and others). The evolution of IEO's product mix will help advance all four IEO strategic priorities for 2024-2026.
25. **Evaluation quality assurance.** IEO will pay special attention to internal and external quality assurance of its outputs, as a way to strengthen the credibility and objectivity of its evaluations. All evaluation draft approach papers and draft final reports will undergo

thorough internal peer reviews within IEO to ensure methodological rigor and consistency across evaluations. In addition, for strategic evaluations, such as corporate level evaluations and others, IEO will mobilize independent external peer reviewers (individuals or institutions) to review selected deliverables. As one of their outputs, the external reviewers will prepare a short note (2-3 pages) on the final evaluation report, providing their expert opinion on the quality of the evaluation, which will also be made available to the NDB Management and BoD, and be included in the final report at the time of publication. In this strategy period, added attention will be devoted to mobilizing individuals and institutions from relevant member countries for peer reviews, so that corresponding IEO products may benefit from deeper appreciation of the local context. With regard to such peer reviews, *inter-alia*, attention will be given to ensuring that evaluations have a coherent evidence trail, that findings are based on triangulation of different data/information sources, and that evaluations have properly factored in context-issues into its analysis.

26. Beyond that, and while they undertake a diversity of tasks to support IEO in implementing the provisions of the Evaluation Policy, the Inter-Departmental Working Group on Evaluation and the High-Level Evaluation Advisory Committee will be asked to review selected evaluations and other IEO products. Taking into account the time required for such reviews, they will be invited to only review corporate level evaluations and selected IEO strategic products (such as the Evaluation Manual, the Evaluation Strategy, etc).
27. Finally, quality of IEO products will be ensured through the routine steps built into evaluation processes, which requires IEO to share draft outputs with NDB Management and in-country stakeholders for comments and feedback. The latter will be considered with utmost attention, and IEO will produce and share “audit trails”, illustrating how it has treated the comments received in its final deliverables. Strategic IEO products and corresponding deliverables will also be pre-discussed with BoD members and Management before being finalized. Further details of the quality assurance processes will be embedded in the Evaluation Manual. Beyond quality assurance of evaluations themselves, during the strategy period, IEO will devote attention to assessing NDB’s internal quality assurance mechanisms⁸. Attention to evaluation quality assurance will support the achievement of all four IEO strategic priorities.

⁸ This will be done as part of planned corporate level and other evaluations in IEO’s work programme.

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28. **Use of innovative evaluation methodologies and processes.** While ensuring due customization to the NDB context, IEO will gradually explore innovative tools and instruments for data collection and analysis in evaluation, for example, by making use of remote sensing for data collection, software for text analysis of documents, advanced statistics tools, Artificial Intelligence, and others. It will also explore innovative process steps in evaluation, such as using digital technology for conducting interviews, which also has the benefit of reducing costs. Importantly, use of any innovative methods and processes will be consistent with the expectations of and agreed with stakeholders. IEO will proactively make available its experiences in these areas for NDB self-evaluation activities. Promoting such innovations in evaluation methods and processes will support the achievement of all four IEO strategic priorities.
29. **Disclosure.** The Evaluation Policy approved by the Board notes that “IEO directly disseminates evaluation reports and related products to member countries, key stakeholders, and the public at large. The Director General of IEO has the authority to issue and submit final evaluation reports and related products to the Board of Directors and subsequently publish them, without prior clearance from anyone outside IEO⁹”. In doing so, the NDB Management Response will be included as an integral part of evaluation reports disclosed by IEO.
30. Disclosure of evaluation reports and related material is critical to promote accountability, transparency and learning within the Bank and across projects and countries. This would be consistent with the declaration of the leaders at the 15th BRICS Summit in 2023 to share knowledge, promote transparency and improve governance at the NDB. It is also a fundamental feature to position NDB as a credible MDB within the global development architecture. Moreover, Independent Evaluation Offices/Departments in other MDBs generally fully disclose their evaluation reports to the public, with Asian Infrastructure Investment Bank (AIIB) being one exception.¹⁰
31. In this context, IEO will follow a prudent approach to disclosure, taking into account the interests of borrowers and other key stakeholders. While taking a prudent approach, this should not be misinterpreted to mean a case-by-case approach with room for case-by-case negotiations. In line with the Evaluation Policy and consistent with the practice in other

⁹ [IEO Final-Evaluation-Policy-1.pdf \(ndb.int\), p. 6.](#)

¹⁰ Asian Infrastructure Investment Bank however is not considered an appropriate benchmark for NDB in this case, as it does not have a dedicated independent evaluation office, which is embedded within the Compliance-Resolution, Integrity, and Evaluation Unit and not administratively independent from AIIB Management.

MDBs, under normal circumstances, all evaluation reports and related documents for public sector operations would be disclosed to the public with suitable redaction of data/information deemed sensitive. However, should such a circumstance warrant and in exceptional cases, IEO would advise the BoD in consultation with NDB Management and the relevant country authorities not to disclose a public sector evaluation report, in case it would pose a risk to the Bank. Special treatment will be given to those sovereign operations where the borrower is a corporate entity, which will entail consultation with the borrower prior to disclosure.

32. A differentiated approach will be taken for the disclosure of evaluation products of private sector operations. As done by other MDBs, IEO would remove any confidential information from private sector outputs and seek a no objection for disclosure from the borrower in coordination with member country authorities. IEO would only thereafter disclose private sector evaluation reports and any related documentation once such a no objection is received. For other evaluations and IEO products, IEO would normally disclose the final deliverables, unless the BoD decides otherwise. Ensuring disclosure along the above line will help promote an evaluation and results culture in the Bank and its member countries (strategic priority [d]) as well as contribute to sharing knowledge (which is part of strategic priority ([a])).
33. **Partnerships for knowledge sharing and evaluation capacity development.** The Evaluation Policy notes that “Within the overall framework of independent evaluation, IEO will build partnerships and ensure stakeholder engagement at key stages in evaluation processes. IEO will devote attention to knowledge work, synthesising good practices from Bank activities and those of other peers”. Partnerships, evaluation capacity development, and knowledge sharing are therefore essential to meet the objectives of the Evaluation Policy, especially for promoting a learning culture and strengthening impact.
34. In terms of partnerships on evaluation matters, in this strategy period, IEO will establish cooperation agreements with relevant evaluation associations, networks and societies, government departments responsible for monitoring and evaluation, research and academic organizations, in at least the NDB founding member countries.¹¹ Similar partnerships in other NDB member countries will also be explored, resources permitting. Partnerships will allow for a range of activities and help identify local human resources and

¹¹ Some examples of such organizations include the Asia Pacific Finance and Development Institute in China, the Development Monitoring and Evaluation Office in India, the Department of Planning, Monitoring and Evaluation in South Africa, and others.

institutions that can be involved in specific IEO evaluations, with the aim of strengthening local knowledge and technical expertise in evaluations and lowering costs for execution. Moreover, IEO has applied for membership in the Evaluation Cooperation Group, consisting of the representatives of 11 major international financial institutions.¹²

35. With regard to knowledge sharing, among other activities, IEO will participate in major country level, regional and global conferences related to evaluation,¹³ organize selectively seminars at the end of evaluations at the country level to share and discuss lessons and knowledge, prepare evaluation synthesis reports on specific themes, produce an *Evaluation Lens* and *Infographics*¹⁴ for each evaluation, and ensure upkeep of the IEO webpages on the NDB website. It will continue to organize one or two lectures per year with prominent external speakers as part of the IEO Lecture Series, produce and share two newsletters per year to keep stakeholders informed of IEO activities, and share relevant information and knowledge with the Inter-Departmental Working Group on Evaluation. IEO will also make efforts to learn good practices on innovative evaluation techniques and development approaches and share such practices more widely within the Bank and with member countries.
36. One important dimension of knowledge sharing is to ensure a coherent evaluation feedback loop, so that evaluation learning can be incorporated into new and ongoing projects, policies and strategies. The activities discussed in the previous paragraph will serve towards improving the feedback loop. One specific instrument that will ensure the uptake of evaluation recommendations and learning is, as anticipated by the Evaluation Policy, for the NDB Management to produce an annual report for Board consideration on the status of implementation of IEO recommendations. It is therefore foreseen that Management will introduce the first such report in this evaluation strategy period.
37. Complementing existing efforts and in partnership with other organizations, IEO will promote evaluation capacity development, both within NDB and in its member countries. This will include but not be limited to the provision of training on evaluation methodologies based on the Evaluation Manual both to NDB staff as well as individuals and institutions in member countries, sharing good and innovative practices in conducting evaluations, offering internship opportunities in IEO to young professionals, inviting selectively

¹² ADB, AfDB, BCIE, BSTDB, EBRD, EIB, IDB, IFAD, IMF, IsDB, World Bank.

¹³ Such as the Asian Evaluation Week.

¹⁴ Evaluation Lens and Infographics are two-page, easy to read, brochures containing highlights from independent evaluations aimed primarily for policy and decision-makers.

colleagues from the NDB in evaluation missions and seminars, providing technical assistance to support the efforts of member countries in developing their evaluation policies and methodologies, and other activities. Purposeful partnerships with a focus on knowledge sharing and evaluation capacity development will support particularly strategy priority (d) to promote an evaluation and results in the Bank and its member countries but also the other strategic priorities.

38. **Building evaluation ownership and culture through stakeholder engagement.** Ownership among stakeholders is fundamental to promote the use of evaluation as well as generate a wider evaluation and results culture. As such, IEO evaluation processes will entail a number of key steps to promote ownership in its evaluation processes. This will include sharing draft approach papers and evaluation reports and other relevant documents for comments and addressing comments received with due attention, organizing debriefing meetings with multiple stakeholders at the end of evaluation field missions to provide them early insights of evaluation findings and listening to their feedback, holding evaluation seminars at the end to discuss evaluation lessons and recommendations and develop a common understanding for the way forward, inviting stakeholders to participate in IEO panel discussions to share their experiences at major in-country, regional or global conferences/seminars on evaluations, and other similar activities. On this topic, IEO will ensure to consult and involve a vast number of stakeholders, representing different audiences affected by the evaluation. Additional details about stakeholder engagement in IEO evaluation will be outlined more thoroughly in the Evaluation Manual.
39. Within the Bank, various efforts will be made to build ownership in IEO evaluations and an evaluation culture. This includes holding at least quarterly meetings of the Inter-Departmental Working Group on Evaluation, and periodic structured exchanges on evaluation topics with the NDB President and Vice Presidents, and others concerned. Similarly, IEO will hold regular informal briefings with BHRC/BoD members on specific evaluation matters. This component will help advance the fourth strategic priority (promoting an evaluation and results culture in the Bank and its member countries) but also strengthen NDB's developmental impact (priority [a]).

Section 4. Implementation, Monitoring, Evaluation, and Revision of the Strategy

40. **Strategy implementation.** IEO, under the guidance of the BoD, will be responsible for implementing the evaluation strategy, in collaboration with the NDB Management and relevant authorities in member countries. The strategy will be operationalized through a

three-year rolling work programme, presented each year to the BHRC. In that context, the BHRC will recommend to the BoD the approval of the IEO annual work programme and budget. As such, the resource requirements for strategy implementation will be captured in the IEO annual work programme and budget documents. With regard to human resources, IEO will ensure it has appropriate staffing levels to deliver the evaluation strategy and work programme, and make efforts to mobilize more women as staff members and consultants to support individual evaluations.

41. During the strategy period, IEO will also search for areas in which internal processes may be streamlined to gain efficiencies and ensure flexibility in its budget proposals to be able to respond to unforeseen requests for evaluation work by NDB Management and the Board as well as any changes to NDB’s context as well as the evaluation and development needs of member countries.
42. **Monitoring and reporting.** Progress against the strategy will be monitored by IEO using the KPIs that have been agreed with the BoD as part of the IEO annual work programme and budget (Annex 1), as well as the new targets presented in Table 1 below. The targets in Table 1 are additional and specific to monitoring the strategy’s implementation. IEO will report to the BoD on progress against the adopted KPIs and progress towards achieving the targets for this strategy as part of its annual work programme and budget document.

Table 1. IEO Targets (end 2026) and contribution to IEO Strategic Priorities

| Targets | End 2026 | Contribution to advancing IEO Strategic Priorities ¹⁵ |
|--|----------|--|
| 1. Percentage of Project Completion Reports reviewed | 100% | a, b, and d |
| 2. Number of evaluations completed ¹⁶ | 10 | a, b, c and d |
| 3. Minimum number of projects evaluated in each borrowing member country with projects mature for evaluation | 1 | a and d |
| 4. Number of external events organized | 5 | a, c and d |
| 5. Percentage of female personnel in IEO | >40% | N/A |

43. Beyond the above, IEO will continuously report to the BoD (e.g., by providing quarterly reports on its budget utilization); share IEO newsletters and outcomes of the meetings of the High-Level Evaluation Advisory Committee; present all evaluation reports to the BoD;

¹⁵ Paragraph 8 of this Strategy.

¹⁶ This includes project evaluations as well as other types of evaluations such as corporate level evaluations, Country Portfolio Evaluations, thematic/sector evaluations and evaluation synthesis reports.

and hold informal consultations with BoD members (individually and/or collectively) on a rolling basis. It will invite BoD members in line with their interests and availability to participate in selected evaluation missions and IEO events and seminars.

44. **Evaluation and revision of the Strategy.** The Evaluation Policy notes that the work of IEO may be evaluated “through external reviews conducted by peers (e.g., by the Evaluation Cooperation Group of the MDBs) and/or independent external evaluations”. As such, under the direct responsibility of the BoD, in early 2027, five years after the establishment of IEO (and at the end of this IEO strategy period), an external review will be conducted of the implementation of the NDB Evaluation Policy and this Evaluation Strategy, which will include a review of the experience of IEO, its strengths and opportunities for further development. The modalities for such an external review will be determined in due course and agreed with the BoD, but the aim would be to assess the functioning of IEO in general, which would also provide the basis for revising the Evaluation Policy, if and where needed, as well as the development of the second IEO strategy.

Annex 1. IEO Results Framework – KPIs¹⁷

| Key Performance Indicators | Baseline 2022 | Target | Remarks |
|--|----------------------|---------------|--|
| 1. Percentage of evaluation recommendations agreed by Management | n.a. | 90% | |
| 2. Percentage of agreed corporate level recommendations implemented satisfactorily | n.a. | 90% | |
| 3. Number of evaluation outputs | 2 | 10 | To be reached by 2027 |
| 4. Proportion of active countries covered through evaluations | 2 | 75% | To be reviewed as number of active countries increases |
| 5. Feedback received from BOD | n.a. | Monitored | |
| 6. Feedback of Evaluation Advisory Committee on evaluation quality | n.a. | Monitored | |
| 7. Number of learning events organised by IEO | 2 | 3 | |
| 8. Percentage of non-staff budget utilized | 88% | >90% | |
| 9. IEO non-staff budget as proportion of NDB administrative budget | 0.8% | <3% | |

¹⁷ This is the IEO results framework approved by the Board in December 2022. KPIs 3-4 in the above table will need to be aligned to ensure consistency with the corresponding targets in Table 1 of this document.