

EVALUATION

The EIB Group Evaluation Policy



European
Investment
Bank

The EU bank 

The EIB Group Evaluation Policy

**Approved by the EIB Board of Directors on 17 June 2021
and by the EIF Board of Directors on 21 June 2021**

The EIB Group Evaluation Policy

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Published by the European Investment Bank.

Printed on FSC® paper.

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INTRODUCTION

1. The European Investment Bank (EIB) and the European Investment Fund (EIF) currently form the EIB Group. The EIB Group is mandated by the respective EIB and EIF shareholders to contribute to the achievement of EU policy goals. As is the case in other multilateral financial institutions, evaluation plays an important role in assessing the relevance and performance of the EIB Group in relation to its objectives and evolving operating environment. It also helps the EIB Group to draw lessons on how to continuously improve its work, thereby contributing to a culture of learning and evidence-based decision-making.
2. This EIB Group Evaluation Policy (hereinafter the “Policy”), which replaces the “Terms of Reference of Operations Evaluation” approved by the EIB and EIF Boards of Directors in 2009 ([link](#)), contains the objectives of evaluation in the EIB Group, and describes how these objectives are achieved. The Policy also gives course to those recommendations made in the independent external review of the EIB Group’s evaluation with which the EIB and EIF agreed, and it aims to enhance the evaluation practices within the EIB Group.
3. The Policy spells out the roles and responsibilities of key internal stakeholders involved in the evaluation activity as well as the position and role of the evaluation function within the EIB Group. It aims to ensure that the evaluation processes and products in the EIB Group meet international quality standards and deliver on their objectives.
4. The EIB Group shall ensure that the evaluators have the means to act with “independence of mind” as a pattern of behaviour, shown in particular through freedom of judgment in the evaluation work. EIB Group evaluators should engage actively in their duties and should be able to make their own sound, objective, transparent and independent decisions and judgments when performing their functions and responsibilities while disclosing the data and the methodology used to stakeholders, as appropriate. The evaluation function is free from undue influence and has full authority to submit reports to the EIB Management Committee and/or the EIF Chief Executive, for discussion and preparation of the respective Management Response and, subsequently, without changes and with the respective Management Response, to the EIB and/or the EIF Board of Directors for discussion.
5. This EIB Group Policy and revisions thereof are approved by the EIB and the EIF Boards of Directors and apply to all parts of the EIB Group.
6. The Policy is aligned with international evaluation best practice and draws on evaluation policies developed by other multilateral organisations.
7. The Policy will be subject to periodic reviews, in line with international evaluation best practice.

OBJECTIVES OF EVALUATION IN THE EIB GROUP

- 8.** Evaluation at the EIB Group serves two main goals: accountability and learning.
- 9.** Evaluation promotes accountability by providing independent, accurate, transparent and credible evidence-based assessments of the EIB Group's performance and results. EIB Group activities are evaluated for their contribution to achieving the Group's and the EU's policy goals. The accountability-oriented evaluation work also contributes to greater transparency, when findings are disseminated appropriately, and to demonstrate the fulfilment of the EIB Group's public mandate.
- 10.** Evaluation promotes learning, feedback and knowledge sharing, to inform the decision-making process on policies, strategies, products, projects and organisational matters, and to improve performance and results.
- 11.** Evaluation therefore contributes to forging a culture of responsibility and learning in the EIB Group.

PRINCIPLES AND STANDARDS

12. To meet its objectives and ensure the quality and effectiveness of its work, the evaluation function operates in line with international principles and standards for evaluation, such as developed in the "OECD-DAC Principles for Evaluation of Development Assistance" ([link](#)) and the "Big Book on Evaluation Good Practice Standards" ([link](#)) issued by the Evaluation Cooperation Group, of which the EIB is a member ([link](#)).
13. According to these benchmark references, an evaluation is an assessment, as systematic and objective as possible, of an ongoing or completed project, programme or policy, its design, implementation and results. An evaluation should be based on evidence and on a clear and transparent methodology and provide information that is credible and useful, enabling the incorporation of lessons learned into the decision-making process.
14. The same reference sources outline the three core principles of evaluation functions, namely utility, credibility and independence.
15. **Utility.** Evaluations must be relevant and timely for organisational learning, decision-making and accountability. To be useful, evaluations must be designed and conducted to meet information and decision-making needs of identified specific stakeholders. Key stakeholders should also be engaged in all stages of evaluation processes.
16. **Credibility.** Evaluations must be conducted according to recognised good practices and quality standards, as reflected in this Policy. These include the use of robust and transparent methodologies and of relevant and reliable evidence, as well as transparency of processes and analytical objectivity and integrity.
17. **Independence** is a condition for credibility, impartiality and legitimacy and has four dimensions:
 - a) Organisational independence of the evaluation function means that it performs its tasks independently of the Group's operations. It reports to the Boards of Directors on its work programme, which is developed in consultation with the Services and the Management Committee and the EIF Chief Executive, and on the attainment of its budget. Its reports are submitted, after being discussed by the EIB Management Committee and/or the EIF Chief Executive, without change and without delay, to the Board(s) of Directors. It has unrestricted access to all information it requires to carry out its mandate.
 - b) Behavioural independence entails the ability to produce candid, transparent and uncompromising reports. It requires professional integrity and absence of bias in the behaviour of the evaluators.
 - c) Freedom from outside interference refers to the ability of the evaluation function to determine the design, scope and timing of evaluations and to execute them without interference.
 - d) Avoidance of conflict of interest ensures that professional or personal relationships and considerations do not influence the evaluators' analyses.
18. The arrangements described in the sections below are intended to guarantee the proper implementation of these principles taking into account the EIB Group's needs, special characteristics and its institutional set-up and governance structure.

MANDATE OF THE EVALUATION FUNCTION

- 19.** The evaluation function evaluates issues of relevance to the EIB Group's impact and the achievement of policy goals.
- 20.** It carries out evaluations of ongoing and completed initiatives in all areas of activity of the Group. This includes but is not restricted to: policies, strategies, methodologies, products, mandates, programmes and all types of operations.
- 21.** As part of evaluations, the evaluation function issues recommendations to operationalise the main lessons derived from evaluations and to encourage the EIB Group to address the points of attention identified. It reports regularly to the EIB Management Committee and the EIF Chief Executive as well as to the Boards of Directors on the implementation of evaluation recommendations.
- 22.** The evaluation function also carries out other evaluation-related studies including but not restricted to evaluability assessments, evaluative opinions, evidence reviews and impact evaluations and may, in the context of its work programme, propose introducing new evaluation products in line with new developments in the field of evaluation and the needs of the EIB Group, to enhance the fulfilment of accountability and learning objectives.
- 23.** The function supports EIB Group Services on evaluation-related matters, upon request, within the limits of its mandate and available resources.
- 24.** The evaluation function disseminates and promotes the uptake and use of findings and lessons from its own evaluations and from relevant external evaluations, to strengthen the accountability and learning culture of the Group.

INSTITUTIONAL ARRANGEMENTS, ROLES AND RESPONSIBILITIES

- 25.** The evaluation function's position in the EIB Group, its reporting lines, structure and modalities of operation safeguard its independence in order to ensure its credibility, impartiality and legitimacy.
- 26.** In the EIB Group, the evaluation function is carried out by Evaluation (IG/EV), which falls under the responsibility of the Inspector General. The Inspectorate General groups together independent functions with a common comprehensive mandate of accountability and learning.
- 27.** With respect to evaluation, the Inspector General's responsibilities include:
- a) Representing IG/EV in the EIB Management Committee, the EIB Audit Committee, the EIF Audit Board and the Boards of Directors to ensure its work informs the decision-making processes of the EIB Group;
 - b) Strengthening the relevance and usefulness of IG/EV's work programme by ensuring IG/EV considers the EIB Group's priorities when defining it; and
 - c) Ensuring IG/EV's independence, including by signing off final evaluation reports prior to their dispatch to the EIB Management Committee and the EIF Chief Executive.
- 28.** IG/EV's reports are discussed by the Management Committee and/or the EIF Chief Executive, which send them, without change or delay, to the respective Board(s) of Directors, together with the Management Response. IG/EV may also present its reports and work programme to the EIB Audit Committee and/or the EIF Audit Board after discussion by the respective Board(s) of Directors.
- 29.** The Boards of Directors¹:
- a) See to it that evaluations are relevant and useful for the EIB Group by:
 - i. Approving the work programme, which allows IG/EV to meet its objectives (accountability and learning);
 - ii. Discussing, and using IG/EV's reports in decision-making processes, as appropriate; and
 - iii. Keeping the Group accountable for the implementation of agreed evaluation recommendations.
 - b) Safeguard the independence of IG/EV, to ensure the Boards of Directors have unfiltered access to information from the evaluation function.

¹ This paragraph concerns the EIB Board of Directors and/or the EIF Board of Directors, as applicable.

- c) Enable the credibility of IG/EV by ensuring the evaluation function has sufficient and adequate budgetary and human resources to carry out its work.
- d) Keep IG/EV accountable by discussing and approving its activity report.
- e) Engage in frequent interaction with IG/EV, including preparatory discussions in Board Committees or Working Groups. To this end, IG/EV has, through the Inspector General and the Head of IG/EV, the ability to bring evaluation topics to the Boards and vice versa.

30. Under the leadership and responsibility of the EIB Management Committee or the EIF Chief Executive, EIB Group Services play a key role in evaluations and evaluation-related processes by:

- a) Suggesting topics for the IG/EV work programme and providing feedback on ideas submitted to their attention in this context, to maximise the utility of IG/EV for the EIB Group.
- b) Cooperating and seeking synergies with IG/EV, sharing existing knowledge and working together to build new expertise in terms of methodologies, as needed to advance the learning and evidence-based culture of the EIB Group, taking into account the available resources.
- c) Helping ensure the evidence base of evaluations is complete and accurate by: (i) providing all available information (public and non-public) and pointing evaluators to relevant systems and sources of information; (ii) facilitating contacts with clients; (iii) enabling autonomous project visits by evaluators; and (iv) commenting on draft evaluation reports to flag factual inaccuracies or misinterpretations, thereby contributing to the credibility and utility of evaluations.
- d) Applying, sharing and using evaluation knowledge, insights and learning in order to enhance the design and implementation of new activities and the delivery of evidence-based results.
- e) Implementing evaluation recommendations that the management agreed with and fully cooperating with IG/EV in the follow up of recommendations' implementation.
- f) Keeping IG/EV informed about third party evaluations concerning the Group; they may request IG/EV's support on evaluation-related matters such as (non-exhaustive list): drafting or reviewing terms of reference for recruiting external evaluation capacity; general tailored training for staff on evaluation-related matters, such as designing intervention logics; methodological support in carrying out evaluability assessments; managing evaluation processes and interaction with external evaluators; and reviewing external evaluation draft reports to comment on their methodological soundness.

- 31.** The EIB Management Committee and/or the EIF Chief Executive also:
- a) Discuss IG/EV's work programme and budget in accordance with paragraphs 36 and 38 below.
 - b) Discuss IG/EV's final reports and determine the management's position vis-à-vis their findings and recommendations.
 - c) Produce and sign off Management Responses to relevant reports.
 - d) Send IG/EV reports, including Management Responses, without change and without delay to the respective Boards of Directors.
 - e) Ensure the EIB Group implements agreed evaluation recommendations in a timely manner and leverages evaluation knowledge for institutional learning and strategic decision-making.
 - f) Foster the special relationship of IG/EV to the Boards of Directors with regards to its evaluation function.
 - g) Promote the importance of independent evaluation for accountability and learning, as well as the demand for high quality evaluations.
- 32.** IG/EV works in close cooperation with other Services of the EIB Group. Sharing knowledge and ensuring that the expertise, views and perspectives of other EIB Group staff are adequately considered enhance the quality and credibility of evaluations. Engaging with Services also contributes to evaluation analyses, findings and reports being better understood and used. IG/EV consults all Services of the EIB Group concerned by the evaluation prior to the finalisation of their reports.
- 33.** IG/EV has full, unrestricted access to EIB Group records and information, public and non-public, related to evaluation work. IG/EV may consult with any individual or group, within or outside the EIB Group that it deems relevant, subject to confidentiality rules and restrictions and adhering to applicable EIB Group policies and regulations, including the EIB Group Staff Code of Conduct.

WORK PROGRAMME, BUDGET AND RESOURCES

- 34.** IG/EV, under the responsibility of the Inspector General and the Head of IG/EV, develops its work programme in consultation with EIB Group Services, the EIB Management Committee and the EIF Chief Executive, and with the Boards of Directors prior to its approval.
- 35.** Evaluations that the Group committed to undertake to external parties (e.g. included in EU regulations, Group partnership agreements and strategies) shall be included in IG/EV's draft work programme.
- 36.** IG/EV's work programme is discussed by the EIB Management Committee and EIF Chief Executive, approved by the Boards of Directors and published. Both the EIB Management Committee and the EIF Chief Executive, as well as the Boards of Directors, can enhance the work programme.
- 37.** Any changes to the work programme, including setting of priorities, are reflected in the subsequent updates of the IG/EV work programme and submitted for formal approval to the Boards of Directors.
- 38.** IG/EV proposes a budget in line with the ambitions of its work programme, after consultations with the relevant Services and approval by the EIB Management Committee. The budget is drawn up and managed to ensure both predictability and flexibility in the implementation of planned evaluation activities.
- 39.** IG/EV's budget is approved by the EIB Board of Directors under a separate budget line.
- 40.** The Inspector General is accountable for the cost-efficient management of the budget dedicated to IG/EV, paying due attention to value for money. The Inspector General will report on the use of the budget in the context of the annual activity report submitted to the EIB Management Committee, the EIF Chief Executive and the Boards of Directors.
- 41.** IG/EV discusses with management and subsequently reports back to the Boards of Directors on the achievement of its work programme and the use of resources through an annual activity report. The annual activity report is published at the same time as the new work programme, both upon approval by the Board of Directors.
- 42.** IG/EV should have sufficient experienced staff to handle the evaluation processes in the EIB Group context and a balanced mix of knowledge of the EIB Group business and technical evaluation skills and expertise.

- 43.** IG/EV staff appointment follows existing procedures and governance. The EIB Board of Directors is consulted on the selection process of the Head of IG/EV, in addition to its involvement in the selection of the Inspector General, without prejudice to the EIB President's statutory right to appoint EIB staff.

- 44.** IG/EV staff are bound by standards of integrity and absence of bias in attitude and behaviour specific to the evaluation profession.

KNOWLEDGE MANAGEMENT AND DISSEMINATION OF FINDINGS

- 45.** Knowledge management and dissemination of findings are critical for accountability and learning as well as for the use of these findings within and outside the EIB Group, with a view to building an evidence-based decision-making culture. Fast and easy access to relevant knowledge from evaluations (i) can help all EIB Group staff to work more efficiently and effectively and (ii) facilitates the sharing of experience outside the EIB Group in a manner that is beneficial to all parties.

- 46.** IG/EV is responsible for the publication of its evaluation findings and other evaluation-related content it produces, both within and outside the EIB Group.

- 47.** IG/EV disseminates its findings in formats and through means consistent with the needs of target audiences and in accordance with the provisions of the EIB Group Transparency Policy.

- 48.** In particular, evaluation reports are published externally, together with the Management Response(s), immediately after their discussion in the relevant Board(s) of Directors, under the authority of the respective Board of Directors. Reports are published without change, except those needed to respect the confidentiality obligations the EIB Group has explicitly assumed.

COOPERATION

- 49.** In planning and implementing its activity, IG/EV takes into account the plans and activities of other relevant actors in the European evaluation landscape to avoid duplication, generate synergies and maximise learning. Where feasible, joint evaluations with other institutions are performed.

- 50.** IG/EV cooperates with the evaluation functions of other institutions, including multilateral financial institutions (primarily in the context of the Evaluation Cooperation Group), the European Commission and bilateral aid agencies coordinated by the OECD, to foster international cooperation and to encourage best practice in evaluation.

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