



An Introduction to the World of Development Banks

Workshop, May 2013

WU (Vienna University of Economics and Business)



Measuring Development Results and Impact

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An Introduction to the World of Development Banks, May 2013

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1. Why do we measure results and impact?
2. How to measure results and impact?
3. The evolution of results and impact measurement.

Main part:

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5. How to design a Results Framework?
6. Examples of Results Management Systems

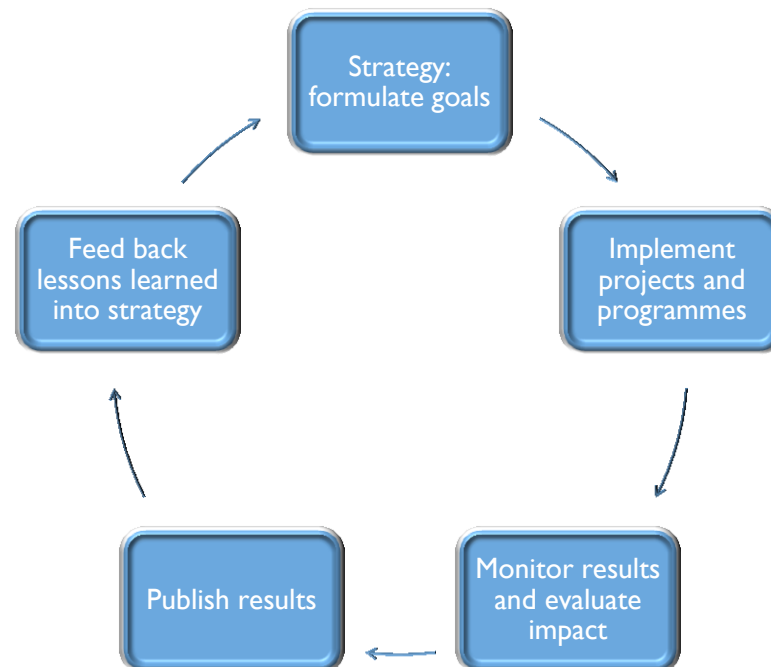
Conclusion:

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Why do we measure results and impact?

1. We want to know what happens with our money
2. We want to show / publish our results
3. We want to achieve our goals / fulfil our strategy & mandate



How do we measure results and impact?

Definition of a Results Framework:

“A Results Framework is a strategic management tool that allows


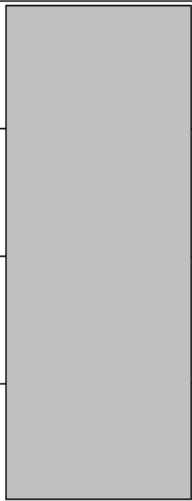



- to **plan and monitor** interventions and desired results
- to **adjust relevant activities** (if necessary) to gauge progress toward the achievement of results
- to **present achieved results** to stakeholders and the wider public
- to **improve future interventions** (lessons learned)”



The evolution of results measurement

I. Logical Framework

- developed in the 1960ies
- included Activities, Outputs, Purpose and Goal
- Indicators, MoV, Assumptions
- temporal logic model

Project Structure	Objectively Verifiable Indicators	Means of Verification	Important Assumptions
Goal 			
Purpose 			
Outputs 			
Activities 			

If these Activities are implemented (+ Assumptions), then these Outputs will be delivered

If these Outputs are delivered (and Assumptions hold) then this Purpose will be achieved

If this Purpose is achieved (and the Assumptions hold) then this Goal will be achieved



The evolution of results measurement

1. Logical Framework

2. United Nations Millennium Declaration (2000)

- signed by 189 countries in September 2000
- MDGs = global targets (with subgoals, indicators, baseline, etc.)



The evolution of results measurement

1. Logical Framework
2. United Nations Millennium Declaration (2000)
3. International Conference on Financing for Development (Monterrey, Mexico, 2002)
4. High Level Forum on Aid Effectiveness (Rome, Italy, 2003)
5. High Level Forum on Aid Effectiveness (Paris, France, 2005)
6. High Level Forum on Aid Effectiveness (Accra, Ghana, 2008)
7. High Level Forum on Aid Effectiveness (Busan, Korea, 2011)



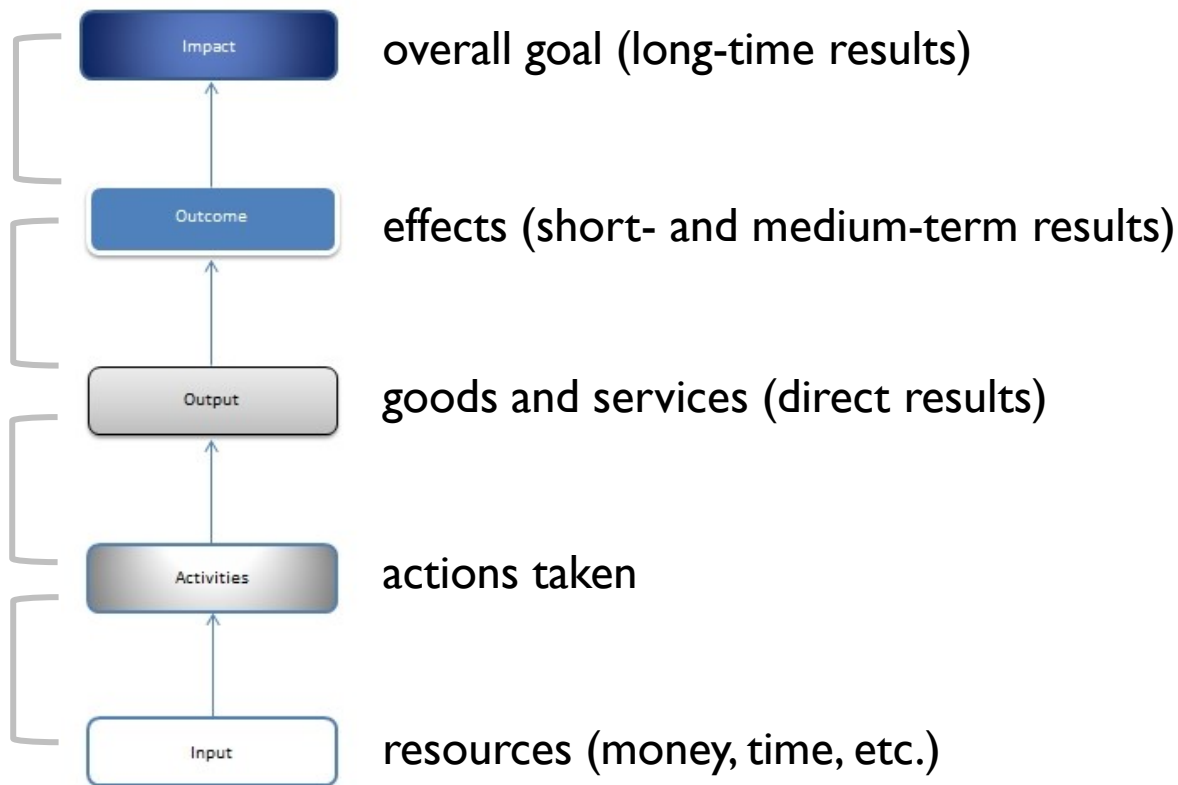
The five principles of the Paris Declaration:

- ▶ **Ownership:** Developing countries set their own strategies for poverty reduction and improve their institutions.
- ▶ **Alignment:** Donor countries align behind these objectives and use local systems.
- ▶ **Harmonisation:** Donor countries coordinate, simplify procedures and share information to avoid duplication.
- ▶ **Managing for results:** All parties in the aid relationship shift focus on results and develop tools and systems to measure impact.
- ▶ **Mutual accountability:** Donors and developing countries must account more transparently for their use of aid funds.

impact-logic & results management

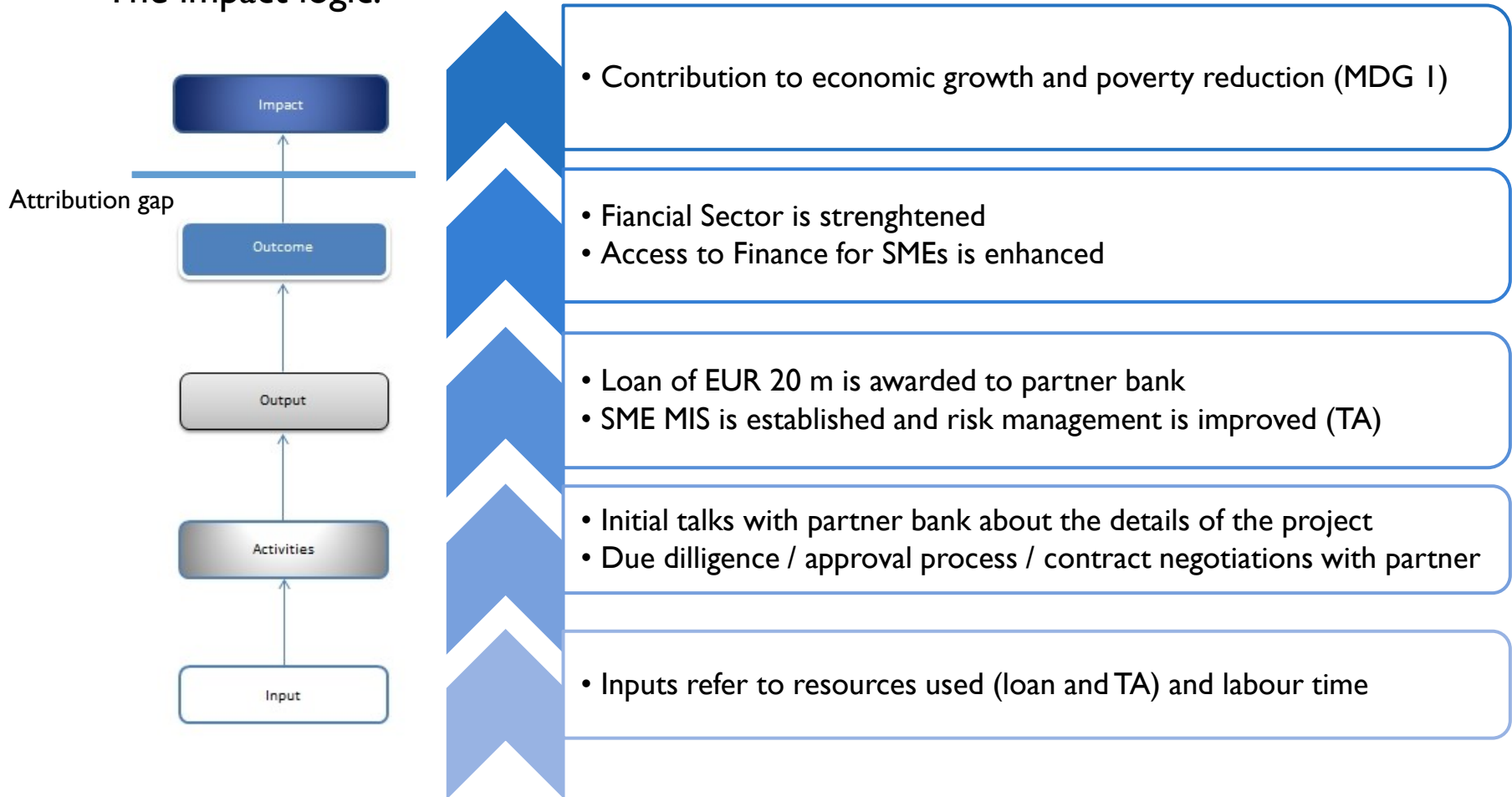
The impact logic:

cause & effect

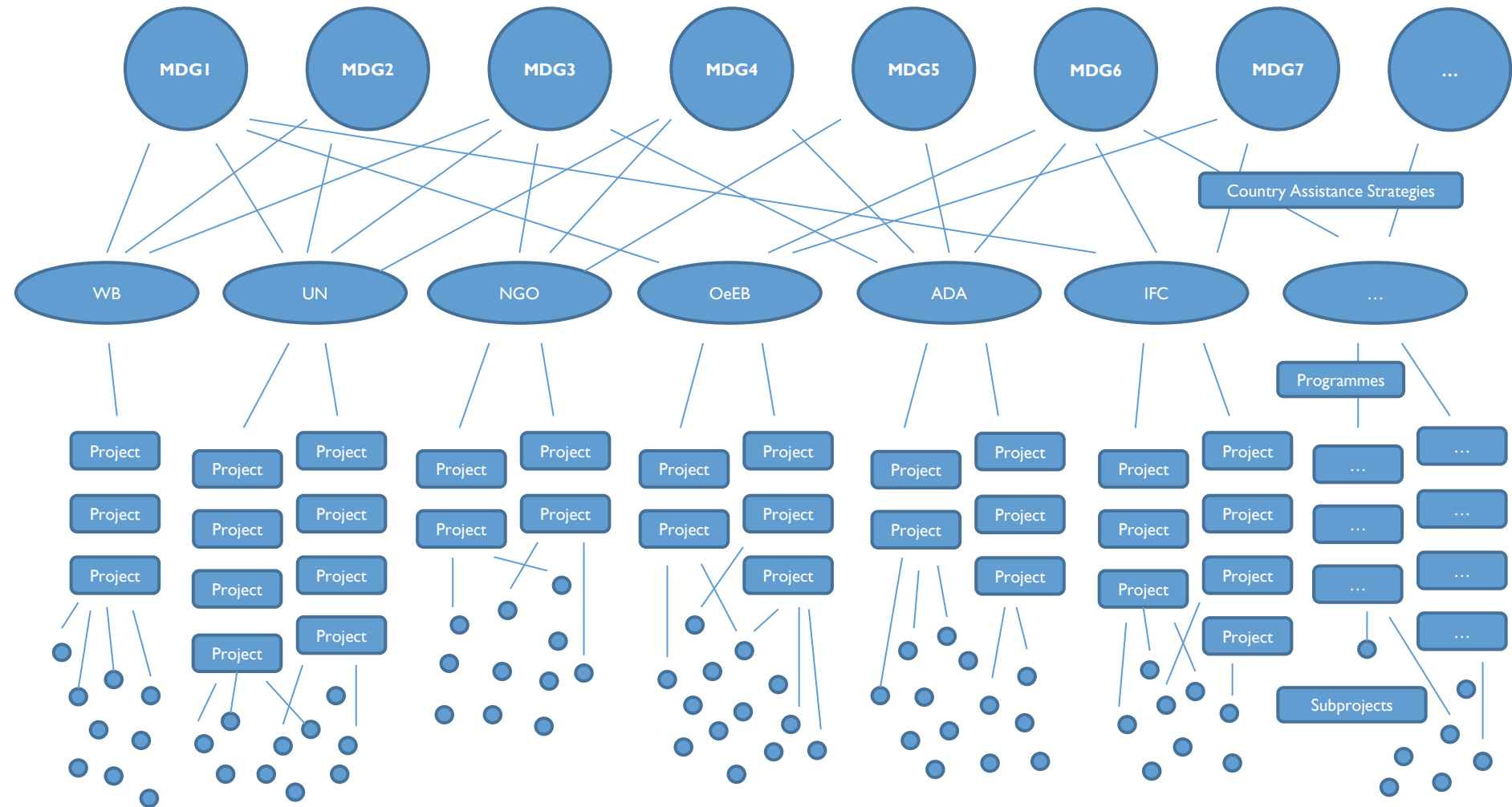


impact-logic & results management

The impact logic:




impact-logic: project, organization & global



Measuring Development Results and Impact

Example: MDGs (goals, targets, indicators)



2
ACHIEVE UNIVERSAL PRIMARY EDUCATION


Goal 2: Achieve Universal Primary Education

Target 3. Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling

Indicators

- 6.** Net enrolment ratio in primary education (UNESCO)
- 7.** Proportion of pupils starting grade 1 who reach grade 5 (UNESCO) **b***
- 8.** Literacy rate of 15-24 year-olds (UNESCO)

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3
PROMOTE GENDER EQUALITY AND EMPOWER WOMEN

Goal 3: Promote Gender Equality and Empower Women

Target 4. Eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015

Indicators

- 9.** Ratio of girls to boys in primary, secondary and tertiary education (UNESCO)
- 10.** Ratio of literate women to men, 15-24 years old (UNESCO)
- 11.** Share of women in wage employment in the non-agricultural sector (ILO)
- 12.** Proportion of seats held by women in national parliament (IPU)



7
ENSURE ENVIRONMENTAL SUSTAINABILITY

Goal 7: Ensure Environmental Sustainability

Target 9. Integrate the principles of sustainable development into country policies and programs and reverse the loss of environmental resources

Indicators

- 25.** Proportion of land area covered by forest (FAO)
- 26.** Ratio of area protected to maintain biological diversity to surface area (UNEP-WCMC)
- 27.** Energy use (kg oil equivalent) per \$1 GDP (PPP) (IEA, World Bank)
- 28.** Carbon dioxide emissions per capita (UNFCCC, UNSD) and consumption of ozone-depleting CFCs (ODP tons) (UNEP-Ozone Secretariat)
- 29.** Proportion of population using solid fuels (WHO)

Target 10. Halve, by 2015, the proportion of people without sustainable access to safe drinking water and basic sanitation

Indicators

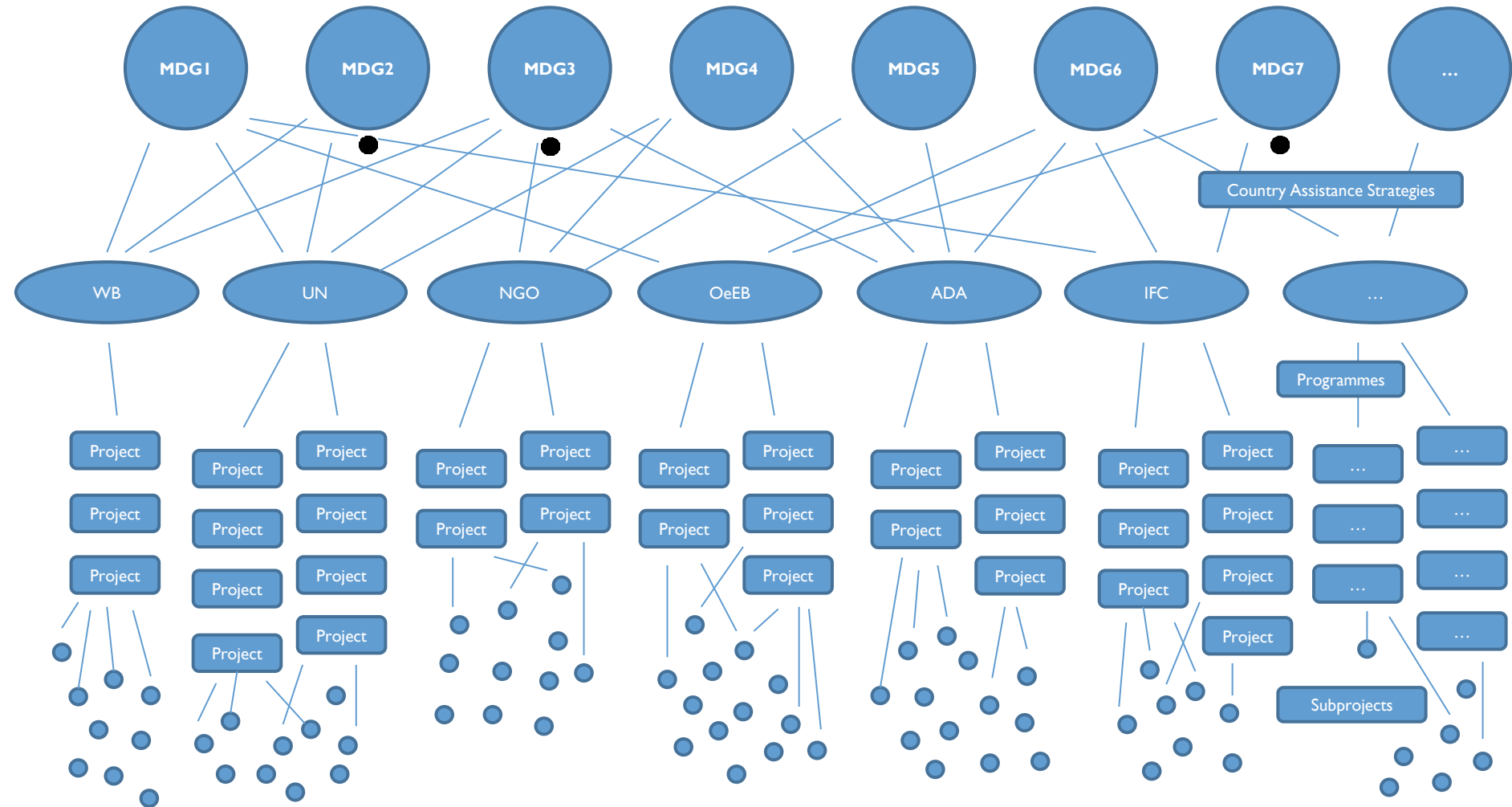
- 30.** Proportion of population with sustainable access to an improved water source, urban and rural (UNICEF-WHO)
- 31.** Proportion of population with access to improved sanitation, urban and rural (UNICEF-WHO)

Target 11. Have achieved by 2020 a significant improvement in the lives of at least 100 million slum dwellers

Indicators

- 32.** Proportion of households with access to secure tenure (UN-HABITAT)

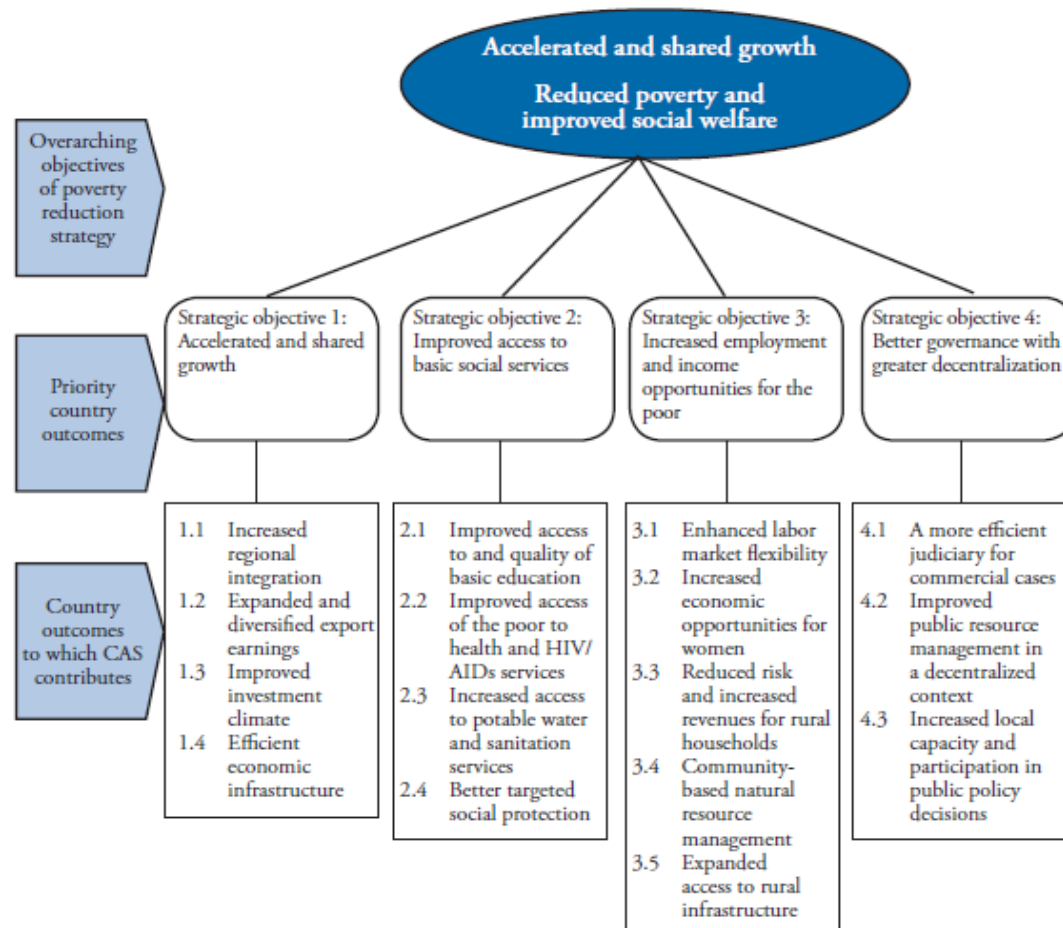
impact-logic: project, organization & global



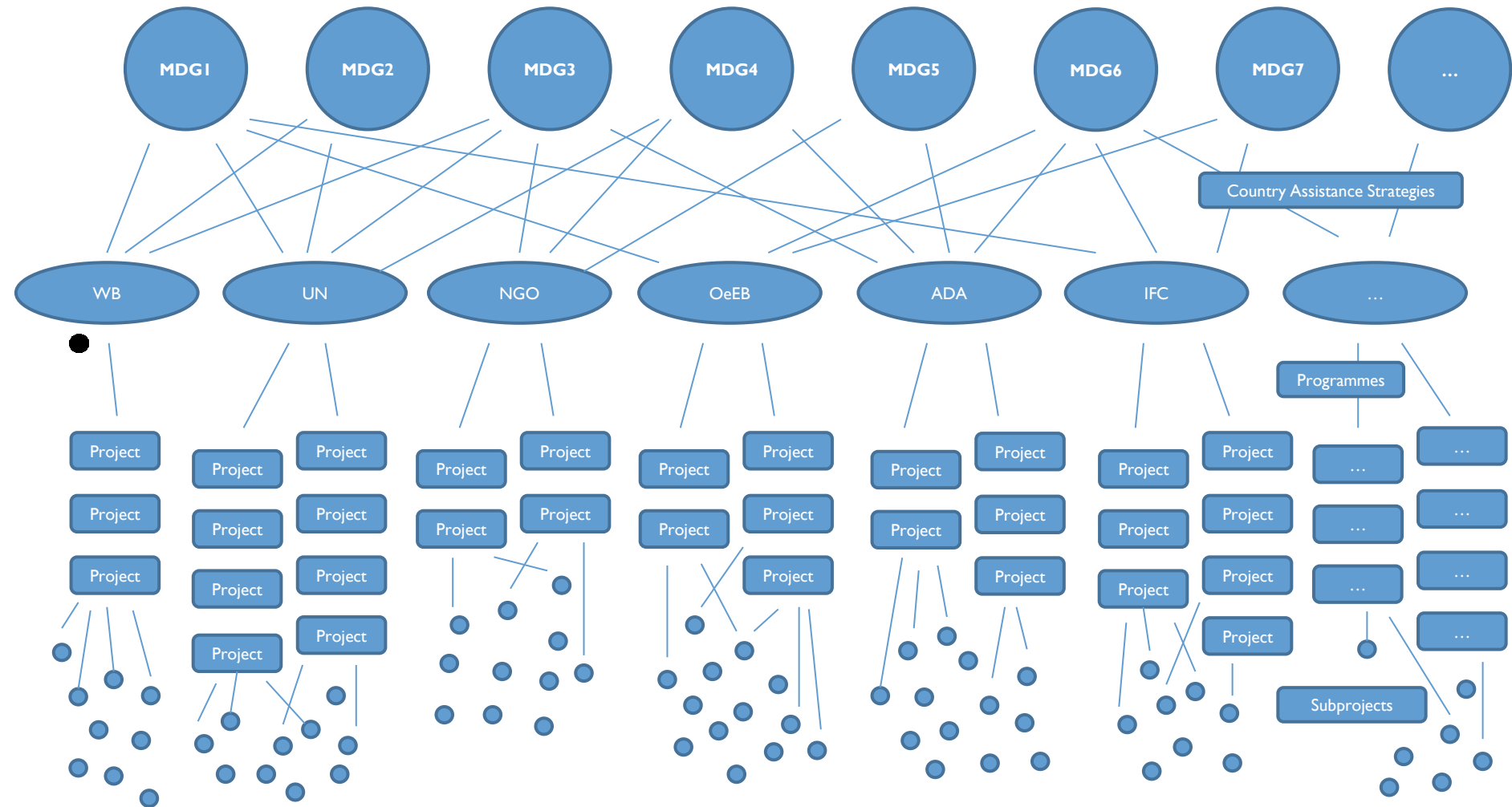
Measuring Development Results and Impact

Example: IDA

Figure 4. Summary Results for the International Development Association's Program in Burkina Faso



impact-logic: project, organization & global



Measuring Development Results and Impact

The function of a Results Framework

“A Results Framework is a strategic management tools that allows to plan and monitor interventions and desired results”

- ▶ They can be used to chart the contributions of an **individual project** to a development objective.
- ▶ They help take a results-oriented approach to addressing objectives for a particular **sector or subsector**.
- ▶ An **organization** can use a results framework to guide and gauge progress in pursuing its mission.
- ▶ **Country-level** results frameworks are also commonly used by national governments and development partners as part of their national development plans, country assistance strategies or other official strategies.

How to design a Results Framework?

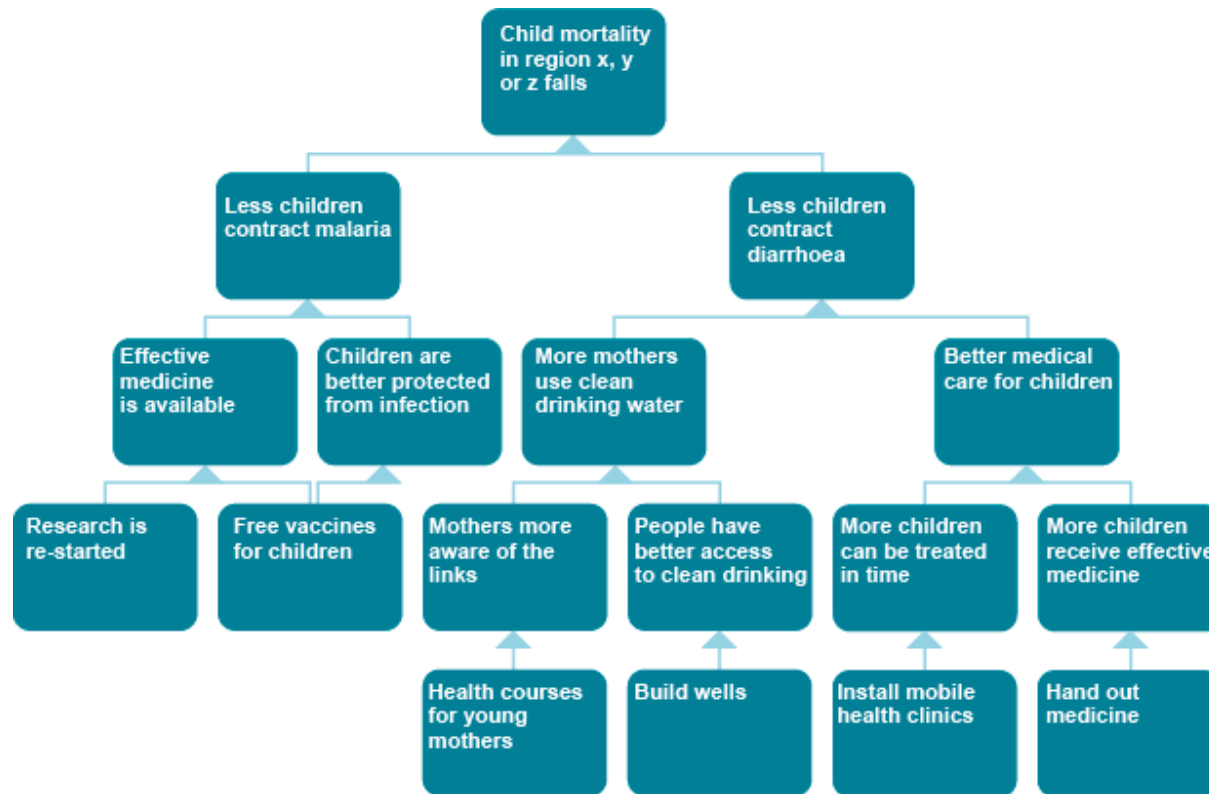
I. Visualization of objective tree / impact-chain

- ▶ Impact (long-term goal)
- ▶ Outcomes (short- medium-term goals)
- ▶ Outputs (good & services)



How to design a Results Framework?

I. Visualization of objective tree / impact-chain



How to design a Results Framework?

II. Transfer impact, outcome and output goals from the objective tree into a RF and establish specific indicators for each level

- ▶ Impact (long-term goal) - indicators
 - ▶ Outcomes (short- medium-term goals) - indicators
 - ▶ Outputs (good & services) - indicators
-
- ▶ calculate baseline
 - ▶ establish targets
 - ▶ include 'risks and assumptions'

Results Framework template

Goal 1.						
Subgoal	Indicators	Baseline	Target	Risks & assumptions	Type	
Subgoal 1:	1.				Outcome	
	2.				Outcome	
	3.				Outcome	
	4.				Outcome	
	5.				Outcome	
	6.				Outcome	
	7.				Output	
	8.				Output	
	9.				Output	
	10.				Output	
Subgoal 2:	1.				Outcome	
	2.				Outcome	
	3.				Outcome	
	4.				Outcome	
	5.				Outcome	
	6.				Output	



Results Framework template

Annex J – Bankwide HNP Results Framework

What results on the ground are important? Country Outcomes					How does the Bank contribute to these results?	How do we know if implementation is on track? Process Indicators		
Strategic Policy Objective	Final outcomes	How do we measure these results? Final Indicators	Multisectoral Contributions to Intermediate Outcomes/Outputs	How do we measure these results? Intermediate Indicators (Reporting Accountability of Sectors)	Bank Strategy	Country	Bank	
							Process indicator	Baseline
1) Improve the level and distribution of key HNP outcomes, outputs, and system performance at country and global levels in order to improve living conditions, particularly for the poor and vulnerable	I. Childhood mortality reduced (by income quintile) (MDG 4, Target 5 and MDG 7, Target 10)	Under-five mortality rate	<p><i>Water & Sanitation, Energy, Environment, Agriculture, Education, Gender, HNP:</i></p> <p>Reduced neonatal, infant and under-five mortality and morbidity by increasing effective coverage with high impact interventions</p>	<p><i>HNP reporting accountability:</i></p> <p>1) Immunization coverage (DPT3, Measles, Hib, Hepatitis B)</p> <p>2) % pregnant women who have received a tetanus vaccine</p> <p>3) % children with diarrhea that received ORT</p> <p>4) % of children with ARI taken to health provider</p> <p><i>Water & Sanitation reporting accountability:</i></p> <p>5) % population with access to improved water supply services</p> <p><i>Energy reporting accountability:</i></p> <p>6) % of households with electricity</p> <p>7) Energy from combustible renewables and waste (% of total energy)</p>	<p>A. Renewing Focus on Results</p> <p>1. <i>Build statistical capacity</i> for client countries on priority HNP outcome indicators (disaggregated by gender and age) directly through Bank operations and / or supporting global partner's country support (e.g., MDGs). This includes the development of country-based frameworks for the collection of essential household HNP and multisectoral indicators.</p> <p>2. <i>Pilot and evaluate impact of output-based and performance-based financing</i> for HNP-related projects/programs.</p> <p>3. <i>Introduce Results Frameworks</i> for all projects targeting HNP outcomes, output, and system performance, including baseline data and output targets.</p>	<p>Number of active borrowers (alternatively, percent of countries by region) who are able to measure causes of under-five mortality at disaggregated levels. Currently, fewer than 1/3 of all low- and middle income countries have vital registration systems that are complete enough to monitor trends in the under-five mortality MDG. Bank will seek to increase this to the number of countries with sound systems.</p> <p>National HNP outcome strategies and PRSPs with increased use of multisectoral approach to achieve results in HNP outcomes</p>	<p>1. At least 40% of new CASs targeting HNP results to be discussed with the Board in FY09 and thereafter will identify capacity and systems building activities (Bank and / or coordinated with global partners) for monitoring and evaluating HNP results in government programs.</p> <p>2. By FY 10, at least 14 active projects with most loan proceeds allocated on output-based financing. Impact evaluation plans in place for 60% of these projects or more upon approval.</p> <p>3. At least 70% of new projects / programs approved by the Board in FY08 and thereafter.</p>	<p>1. Less than 10% of CASs targeting HNP results</p> <p>2. 4 active projects in FY06</p> <p>3. Less than 25% of active projects as of FY06 with satisfactory results framework.</p>
	II. Childhood malnutrition improved (MDG 1, Target 2)	Percentage of children under the age of five who are underweight, stunted	<p><i>HNP, Water & Sanitation, Agriculture, Environment, Energy, Education:</i></p> <p>Reduced child underweight and stunting by increased coverage with effective interventions</p>	<p><i>HNP reporting accountability:</i></p> <p>8) % infants under 6 months who are exclusively breastfed</p> <p>9) % of children who receive breastfeeding plus adequate complementary food (6-9 months)</p> <p><i>Water & Sanitation reporting accountability:</i></p> <p>See 5) above</p>				

Indicators – must be SMART

Specific: Indicators should reflect simple information that is communicable and easily understood.

Measurable: Are changes objectively verifiable? (qualitative + quantitative)

Achievable: Indicators and their measurement units must be achievable and sensitive to change during the life of the project.

Relevant: Indicators should reflect information that is important and likely to be used for management or immediate analytical purposes.

Time bound: Progress can be tracked at a desired frequency for a set period of time.

How to monitor results?

Use the Results Framework (including impact, outcome and output goals / indicators / baseline / targets / risks & assumptions), transfer all items into a RF Monitoring sheet and include:

- ▶ **Data sources** (where)
- ▶ **Methods** for data collection (how)
- ▶ **The agent(s) responsible** for collecting or providing the data (who) (f.ex. independent evaluation team, project staff, etc.)
- ▶ **Designated intervals** at which the data will be collected (when) (annually, bi-annually, etc.)
- ▶ **Set of projects** to know which kind of projects to monitor (which)
- ▶ (Target-performance comparison)
- ▶ (Reasons for divergence)



Example of RF Monitoring sheets (int)

GOAL 1. Contribute to sustainable development in developing and transition countries								
Sub goal 1: Financial infrastructure strengthened								
Indicators	BL 10	TG 15	Data (where)	Method (how)	Status (set of projects)	when	who	
1. # of jobs directly created in financial sector								
Target-Performance comparison:								
Reasons for divergence:								
2. # of MFIs/banks with improved social and/or environmental performance after capacity building								
Target-Performance comparison:								
Reasons for divergence:								
3. % of projects in the financial sector that were repaid in accordance with the terms of the project								
Target-Performance comparison:								
Reasons for divergence:								
4. # of MSMEs that received loans through credit lines								
Target-Performance comparison:								
Reasons for divergence:								
5. % and amount of project volume in the financial sector								
Target-Performance comparison:								
Reasons for divergence:								
6. Amount of disbursed loans earmarked for MSMEs								
Target-Performance comparison:								



Example of RF Monitoring sheets (ext)

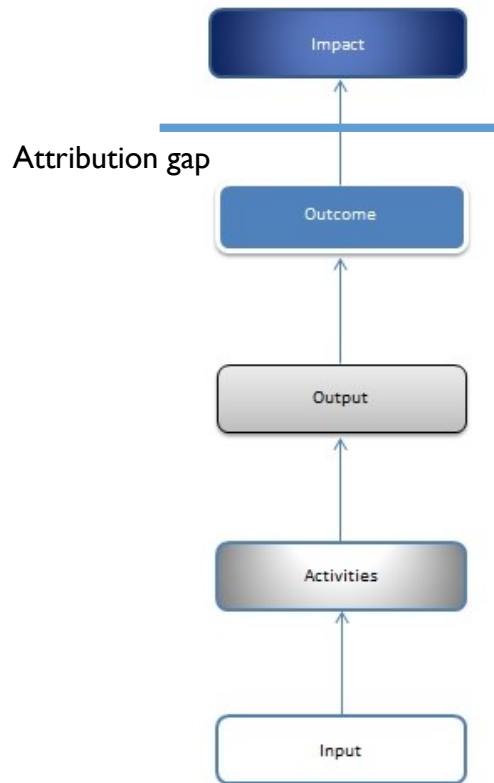
GOAL 1. Contribute to sustainable development in developing and transition countries										
Sub goal 1: Financial infrastructure strengthened										
Indicators	BL 08-10	2011	2012	2013	2014	2015	TG 2015	calculation method	when	who
1.1.1. # of SMEs that received loans through credit lines	250	480	760				1.560	portfolio	annual	X
	250	480	760				1.800	accumulated	annual	X
1.1.2. Amount of project volume for SMEs	30 m	37 m	40 m				120 m	portfolio	annual	X
	31 m	41 m	51 m				130 m	accumulated	annual	X
1.1.3. # of micro borrowers that received loans through credit lines	24.300	27.200	29.500				75.000	portfolio	annual	X
	24.300	27.200	29.500				85.000	accumulated	annual	X
1.1.4. Amount of project volume for micro borrowers	76 m	84 m	92 m				120 m	portfolio	annual	X
	76 m	85 m	99 m				130 m	accumulated	annual	X
1.1.5. # of jobs provided by financial institutions (co-)financed (excl. funds) <i>share of jobs provided (calculated as: share/total credit portfolio)</i>	89.437	66.542	136.640				-	portfolio	annual	X
	217	302	400				-			
	89.437	66.542	136.640				-	accumulated	annual	X
	217	302	400				-			
# of jobs provided by financial institutions (co-)invested <i>share of jobs provided (calculated as: share/total employment at financial institution (direct investment) or OeEB share/fund + share of fund/total employment at financial institutions (fund investment))</i>	-	-	0				-	portfolio	annual	Y
	-	-	0				-			
	-	-	0				-	accumulated	annual	Y
	-	-	0				-			

Important issues

- ▶ **Data quality** is very important!
- ▶ **Methods** for data collection are complex (needs time & money)!
- ▶ **Resonable relation** between **costs/efforts & benefit!**
- ▶ **Top Management** needs to be **proactively involved** and **assume full responsibility!**
- ▶ Keep it as **simple as possible!**
- ▶ **It is better** to be **approximately right** than to be **precisely wrong!**



Attribution gap: Impact Evaluation



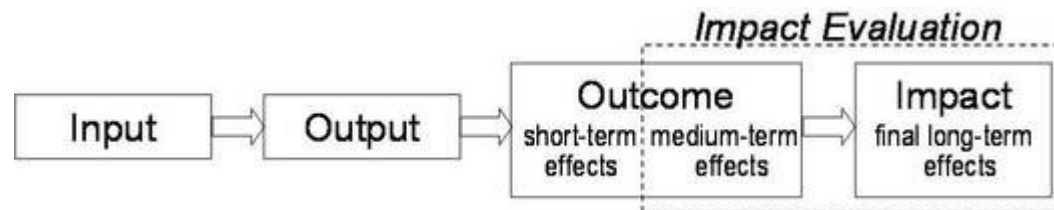
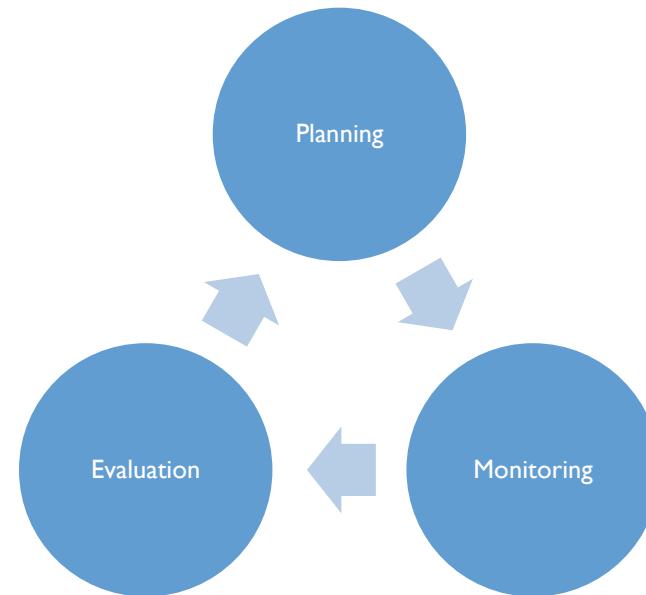
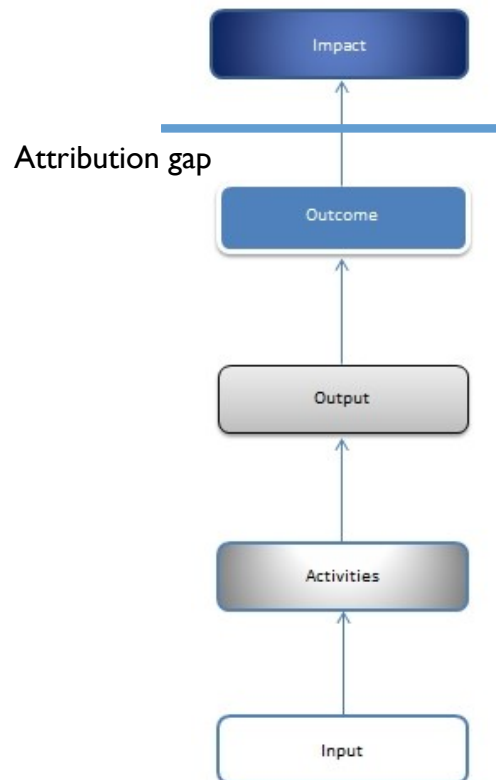
▶ Impact Evaluation!

- ▶ **Monitoring:** tracking the results of Outputs and Outcomes throughout the project cycle
- ▶ **Monitoring:** focuses on day-to-day business, but does not focus on long-term effects (e.g. poverty reduction or contribution to MDGs)
- ▶ **Difficult to attribute** project outputs and outcomes to the achievement of the impact (risks, etc.)



Results Management System

A Results Management System includes planning, monitoring and evaluation!



Example: IFC Results Measurement System

IFC Results Measurement System

IFC has moved to a unified results measurement system which has three mutually reinforcing components namely the [IFC Development Goals \(IDGs\)](#) (which are forward-looking goals); a monitoring and tracking system to [measure development results](#); and a system to [evaluate the outcomes and impact of our activities](#).



Example: IFC Development Goals (IDG)

- aligned/inspired by the Millennium Development Goals (how IFC can contribute to the achievement of MDGs)
- corporate-level development goals to drive implementation of strategy and influence operational decision making (designed in 2011)

IDG Contributions in FY12			
GOAL	FY12 IDG TARGET	FY12 IDG COMMITMENTS	PERCENTAGE OF TARGET ACHIEVED
Increase or improve sustainable-farming opportunities	Benefit 365,000 people	1.03 million people	283%
Improve health and education services	Benefit 1.68 million people	9.32 million people	555%
Increase access to financial services for individuals and microfinance clients	Benefit 15.85 million people	32.84 million people	207%
Increase access to financial services for SME clients	Benefit 1.17 people	1.54 million people	132%
Increase or improve infrastructure services	Benefit 19.25 million people	32.81 million people	170%
Reduce greenhouse gas emissions	Reduce by 1.70 million metric tons of CO2 equivalent per year	1.79 million metric tons	105%

¹ The IDG on greenhouse emissions was piloted in the South Asia and Eastern Europe and Central Asia regions, so data here refers to these two regions only

Example: IFC Monitoring

Development Outcome Tracking System (DOTS)

- ▶ Launched in 2005 to measure the development effectiveness of investments and advisory services
- ▶ IFC first multilateral development bank to report on development results for the entire portfolio (2007)
- ▶ Allows for real-time tracking of development results throughout the project cycle
- ▶ Critical to understanding if strategy is working

Example: IFC DOTS – outcome rating

- ▶ An **overall development outcome rating**, that is assigned to every project in our portfolio at least once a year

DOTS for Investment

For investment projects, the overall development outcome rating is a synthesis of four performance categories that are informed by the indicators agreed with the client—financial performance, economic performance, environmental and social performance and private sector development impact.

Development Outcome: Investments

Performance Category	General Indicators and Benchmarks	Examples of Specific Indicators Assessed Against Targets
Financial Performance	Returns to financiers, e.g., financial returns at or above weighted-average cost of capital	Return on invested capital, return on equity, project implemented on time and on budget
Economic Performance	Returns to society, e.g., economic returns at or above 10 percent	Economic return on invested capital, number of connections to basic services, loans to small enterprises, people employed, tax payments
Environmental and Social Performance	Project meets IFC's Performance Standards	Environmental and social management systems, effluent or emission levels, community development programs
Private Sector Development Impact	Project contributes to improvement for the private sector beyond the project company	Demonstration effects (other firms replicating a new approach, product, or service), linkages to other private companies, corporate governance improvements

Development Outcome: Advisory Services

Performance Category	General Indicators and Benchmarks	Examples of Specific Indicators Assessed Against Targets
Strategic Relevance	Potential impact on local, regional, national economy	Client contributions, alignment with country strategy
Efficiency	Returns on investment in advisory operations	Cost-benefit ratios, project implemented on time and budget
Effectiveness	Project contributes to improvement for the client, the beneficiaries, and the broader private sector	Improvements in operations, investments enabled, increase in revenues for beneficiaries, cost savings from policy reforms

Example: IFC DOTS - indicators

- ▶ **Industry-specific standard indicators** that measure the development reach of investments on stakeholders

O - Finance & Insurance			
Development Outcome Area	Indicator	Mandatory*	Comment/Subsectors
Financial Performance	Portfolio Quality (%NPLs)		
	ROE (%) - Life of Project		
	ROE (%) - Annual		
	EBITDA (\$M)		
	EBITDA Margin (%)		
Economic Performance	Access to Finance for Women: New Loans and Outstanding Portfolio/Microfinance/Gender Finance		O-H - Microfinance
	Access to Finance: New Loans and Outstanding Portfolio/Housing Finance		O-E - Housing Finance, O-H - Microfinance, O-A - Commercial Banking, O-B - Merchant Bank, O-C - Finance Companies, O-D - Development Finance Company, O-F - Other Non-Depository Credit
	Access to Insurance: Clients Insured		O-J - Insurance
	Access to Insurance: Policies and Premiums		O-J - Insurance
	Access to Insurance: Reinsurance Agreements and Premiums		O-J - Reinsurance
	EROE - Life of Project		
	EROE (%) - Annual		
	Access to Finance for Women: New Loans and Outstanding Portfolio		
	Access to Financial Services: Branches, including Frontier or Rural Areas		
	Access to Financial Services: Deposits		
	Access to Financial Services: Lending in Frontier or Rural Areas		
	Number of Micro Borrowers		
	Number of SME Borrowers		
	Taxes and Other Payments (\$M)		
	Training (#) & Training Outlays (\$)		
Wage Bill (\$M)			
Environmental and Social Performance	Community Development Outlay (\$) and (#)		
	E&S Management Systems (Y/N)		
Private Sector Development	Water Consumption & Efficiency		
	Corporate Governance: Improving Board Structure and Function (Y/N)		
	Corporate Governance: Systems Improvements (Y/N)		
	Demonstration Effect (Y/N)		
	Financial Product Development (Y/N)		
	M/SMEs Reached (#)		

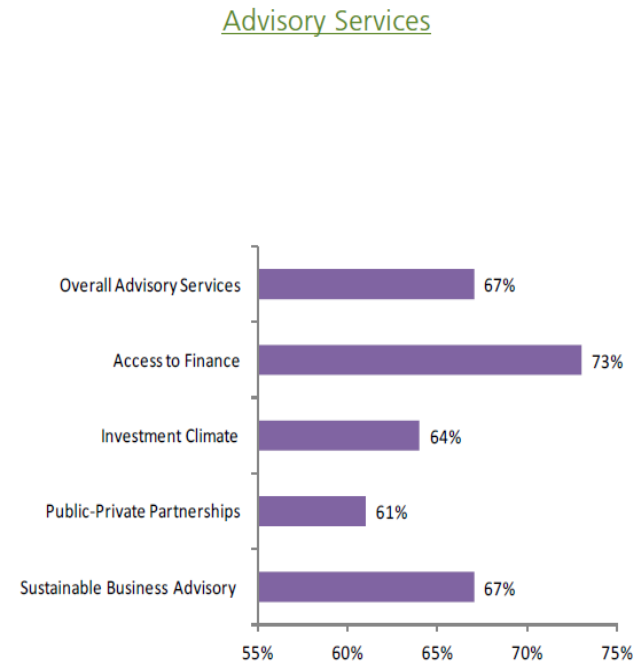
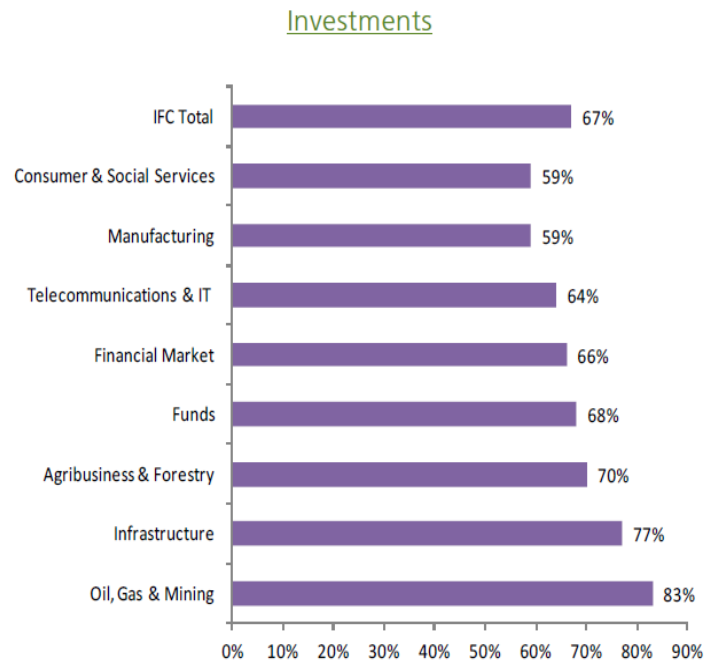
V - Electric Power			
Development Outcome Area	Indicator	Mandatory*	Comment/Subsectors
Financial Performance	ROIC (%)		
	ROIC (%) - Life of Project		
	FRR (%) - Life of Project		for project finance
	Project Cost (\$M) and Completion Date		for project finance
Economic Performance	Infrastructure: Distribution (Millions of Customers)		VC - Integrated Utilities, VE - Electric Power Distribution, VEB - Rural Electrification, VF - Power Projects through FI (non RE), VG - Electric Power Funds (non RE), VI - Electric Power Other (including Holding Companies)
	Infrastructure: Power Transmission (GWh)		VC - Integrated Utilities, VD - Electric Power Transmission, VF - Power Projects through FI (non RE), VG - Electric Power Funds (non RE), VI - Electric Power Other (including Holding Companies)
	Employment (#)		incl. female employment
	EROIC (%)		
	EROIC (%) - Life of Project		
	Infrastructure: Power Generation (GWh)		VA - Thermal Power Generation, VB - Renewable Energy Generation, VC - Integrated Utilities, VF - Power Projects through FI (non RE), VG - Electric Power Funds (non RE), VH - Energy Efficiency, VI - Electric Power Other (including Holding Companies)
	Taxes and Other Payments (\$M)		
	ERR (%) - Life of Project		for project finance
	Retail: Stores (#), Space (m2)		
	Wage Bill (\$M)		
Environmental and Social Performance	E&S Management Systems (Y/N)		
	Community Development Outlay (\$) and (#)		
	Resettlement (#) and Livelihood Restoration (#)		
	Air Pollutant Emissions (mg/Nm3)		
	CO2 Equivalent Emissions Avoided (MT)		
Private Sector Development	Occupational Injury: Incidence Ratio (per million man-hours)		
	Occupational Injury: Severity Rate (per million man-hours)		
	Demonstration Effect (Y/N)		
	Demonstration Effect: International Accreditation, Certification or Standard (Y/N)		

Example: IFC DOTS - monitoring

- ▶ The **overall development outcome rating**, rated on a 6-point scale from ‘Highly Successful (‘1’) to Highly Unsuccessful (‘6’), is a synthesis of each of the four performance areas.
- ▶ These four areas in turn receive a rating on a 4-point scale from ‘excellent’ to ‘unsatisfactory’. This depends on whether they have achieved the set standards for each performance dimension, as well as their development objectives articulated through specific, benchmarked indicators.

Example: IFC DOTS – results

PERCENTAGE OF IFC PROJECTS RATED HIGH ON DEVELOPMENT RESULTS (FY11)



DOTS data as of June 30, 2011.

Example: IFC DOTS – results

IFC'S DEVELOPMENT RESULTS FOR FY12

- In FY12², IFC invested a record \$20.4 billion in 103 developing countries, reflecting a doubling of our annual commitments over the last five years. Our Advisory Services program expenditures grew to \$197 million, up more than 50 percent over the last five years.

Key Investment Results, through IFC Clients

23 million loans worth \$201 billion extended to micro, small, and medium enterprises, which in turn provided at least 100 million jobs; up from 5 million loans worth \$57 billion in 2006	12.2 million patients treated in 2011, up from 5.7 million in 2006
147.8 million customers provided access to power, water, and gas; up from 35.6 million in 2006	0.9 million students educated in 2011, up from 353,000 in 2006 ³
3.3 million farmers benefitted, up from 538,000 in 2006	2.5 million direct jobs provided in 2011, up from 695,000 in 2006. An additional large multiple of jobs are in the value chains of our clients.

Example: IFC Evaluations

IFC implemented a new evaluation strategy with four primary objectives:

- ▶ (1) to credibly articulate IFC's development impact;
 - ▶ (2) to learn how to maximize the effectiveness of IFC interventions;
 - ▶ (3) to provide useful business intelligence to clients and partners; and
 - ▶ (4) to exchange knowledge with external actors.
-
- ▶ Essential for enhancing development impact of investment & advisory services by feeding lessons learned back into projects and strategy
 - ▶ New strategy focuses on poverty-reduction effects (long-term) that typically cannot be captured by monitoring and tracking alone

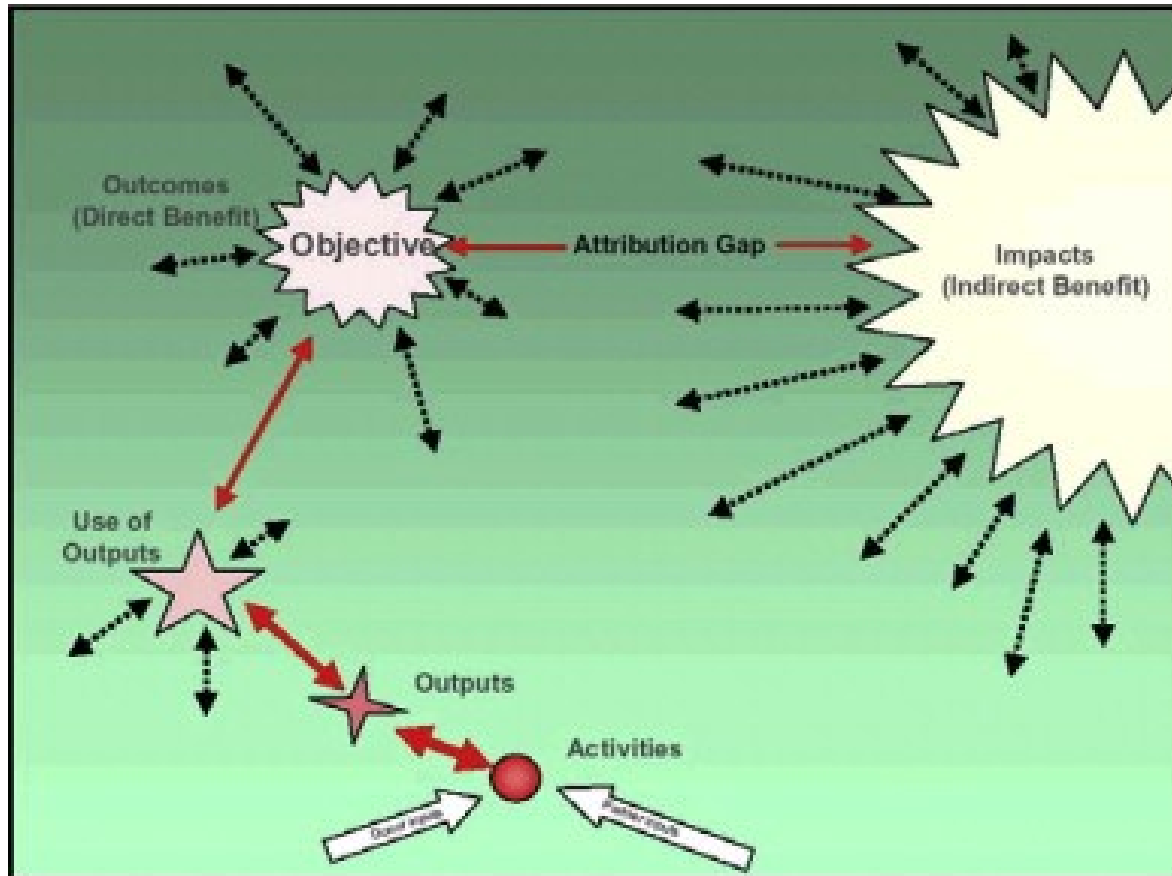
Example: IFC Evaluations - investments

- ▶ **Project business success** measures the project's actual and projected financial impact on the company's financiers, that is, lenders and equity investors. The principal indicator of a project's business performance is its real, after-tax, financial rate of return.
- ▶ **Economic sustainability** evaluates the project's effects on the local economy, and the associated benefits and costs that are measured by an economic rate of return.
- ▶ **Environmental and social effects** covers: (i) the project's environmental performance in meeting IFC's requirements (for example, Performance Standards, and relevant E&S guidelines) ; and (ii) the project's actual environmental impacts, including pollution loads, social, cultural, and community health aspects, labor and working conditions, and workers' health and safety.
- ▶ **Private sector development impact** captures impacts beyond the project and the extent to which the project has contributed to IFC's purpose by spreading the benefits of growth of productive private enterprise.

Example: IFC Evaluations - AS

- ▶ **Strategic relevance:** appropriateness of project given conditions, needs or problems to which it was intended to respond, alignment with country strategies, appropriateness of instrument used.
- ▶ **Output achievement:** immediate project deliverables (products, capital goods, services or advice).
- ▶ **Outcome achievement:** short- or medium-term changes resulting from the advisory project (positive or negative, intended and unintended).
- ▶ **Impact achievement:** intended longer-term effects of the advisory intervention.
- ▶ **Efficiency:** whether the project costs are reasonable in relation to the potential results.

Limitations: Attribution gap



Limitations: Attribution gap

- What can be measured?
- What can be (directly) attributed to the project?
- What can be (directly) attributed to the organisation?



Limitations: Attribution gap

“Data for the total development reach, which measures the people reached by our clients in the provision of goods and services, are provided by IFC’s active portfolio clients, and presented regardless of IFC’s investment size. Given that IFC is always a minority investor, these results cannot be attributed solely to IFC.”

Links

UN Millenium Declaration: <http://www.un.org/millennium/declaration/ares552e.htm>

UN MDG Stats: <http://mdgs.un.org/unsd/mdg/>

MDG Track: <http://www.mdgtrack.org/>

World Bank (WB): www.worldbank.org

WB Results: <http://www.worldbank.org/results/>

WB Mapping for Results: <http://maps.worldbank.org/>

WB Independent Evaluation Group (IEG): <http://ieg.worldbankgroup.org/>

International Finance Corporation (IFC): www.ifc.org

IFC Development Results and Impact: <http://www.ifc.org/results>

International Development Association (IDA) Results: <http://www.worldbank.org/ida/results.html>

Organization for Economic Co-operation and Development (OECD): <http://www.oecd.org/>

OECD Aid Effectiveness: <http://www.oecd.org/dac/effectiveness/>

Paris Declaration on Aid Effectiveness: <http://www.oecd.org/dac/effectiveness/34428351.pdf>

International Initiative for Impact Evaluation (3ie): <http://www.3ieimpact.org/>

European Development Finance Institutions (EDFI): <http://www.edfi.be/>

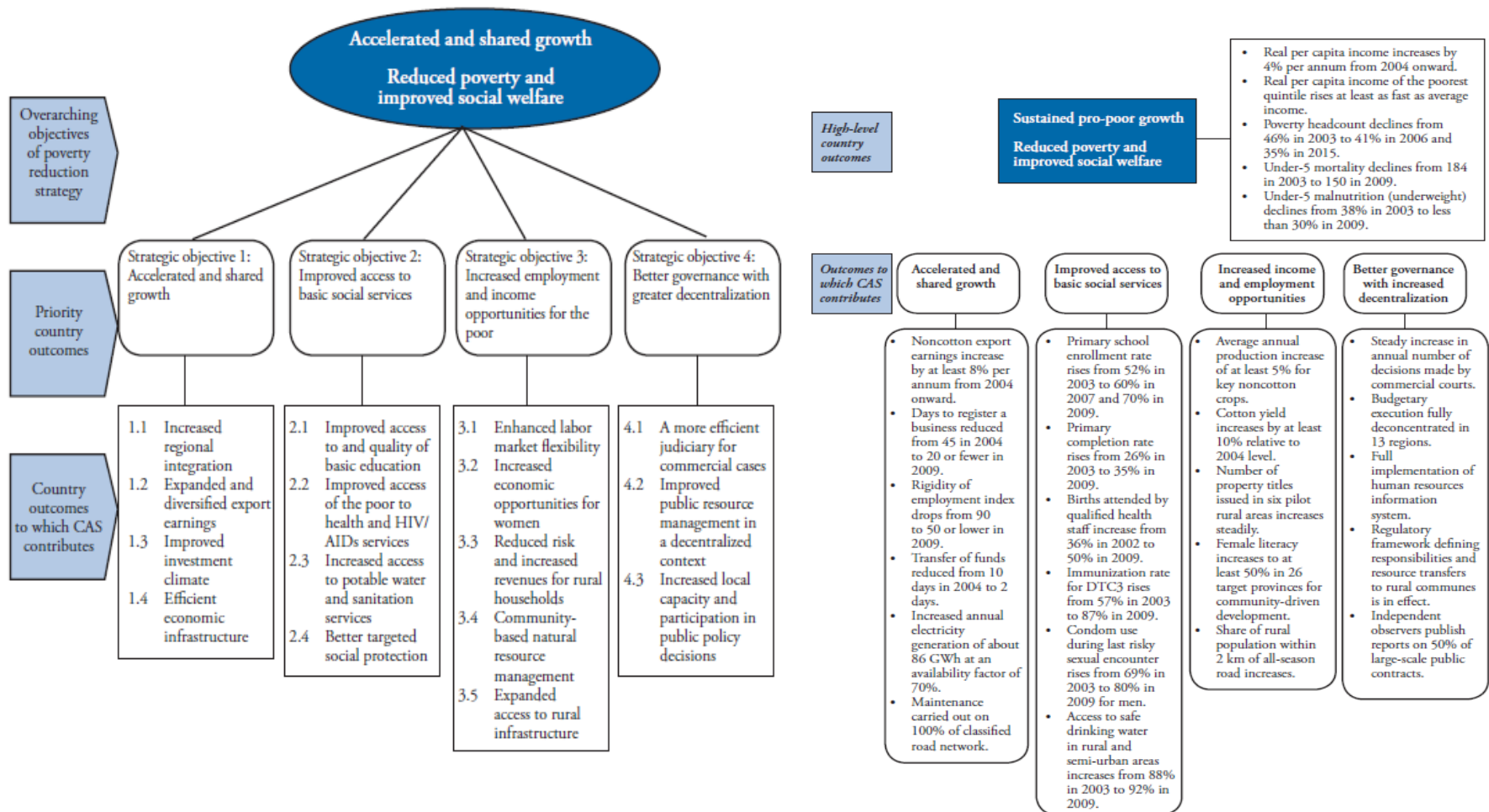
Oesterreichische Entwicklungsbank (OeEB): <http://www.oe-eb.at>



Annex: World Bank Corporate Scorecard



Annex: IDA Indicators

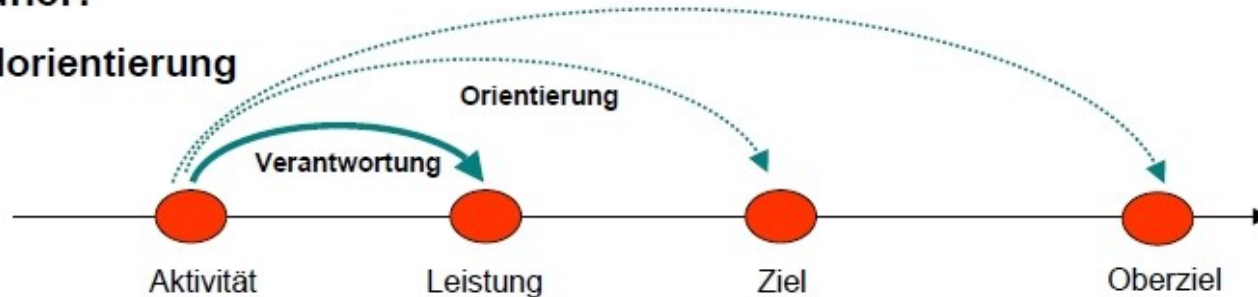


Annex: achieving goals vs. achieving impact

Was hat sich verändert ?

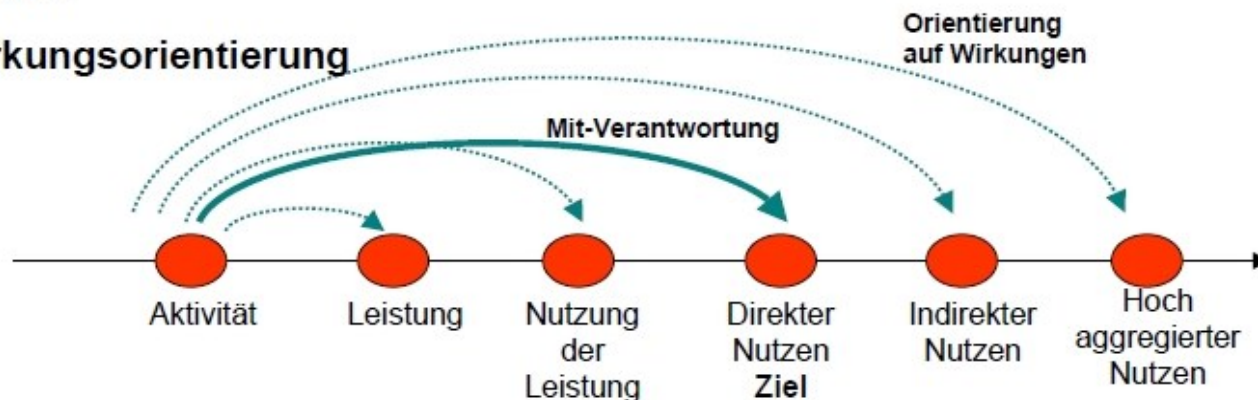
Früher:

Zielorientierung



Heute:

Wirkungsorientierung





An Introduction to the World of Development Banks

Workshop, May 2013

WU (Vienna University of Economics and Business)