



European Bank
for Reconstruction and Development

ANNUAL EVALUATION REVIEW 2023

The Independent Evaluation contribution
to Accountability and Learning in 2023

Special Chapter:
Effects of independent
evaluation recommendations

IED

Independent Evaluation
Department

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The Independent Evaluation department (IEvD) at the European Bank for Reconstruction and Development (EBRD) reports directly to the Board of Directors and is independent from the Bank's management. This independence ensures that IEvD can perform two critical functions: enhance the Bank's accountability through a rigorous independent assessment of its operations, policies and strategies; and promote institutional learning through effective evaluation knowledge management and learning loops. Whilst IEvD considers management's views in preparing its evaluations, it makes the final decisions about the content of its reports.

This report was prepared by IEvD independently and is circulated under the authority of the Chief Evaluator, Véronique Salze-lozac'h. The views expressed herein do not necessarily reflect those of EBRD management or its Board of Directors.

Acknowledgements

The Annual Evaluation Review was prepared by a team directed by Chief Evaluator, Véronique Salze-Lozac'h, and overseen by Gabriele Fattorelli, Director of the Corporate and Thematic Division and Samer Hachem, Director of the Sector and Project Division. While all IEvD contributed to the report, direct input was provided by Nikolina Balta, Tom Bartos, Alper Dincer, Regina Husakova, Bilgehan Kayalar, Natalia Lakshina, Olga Mrinska, Piril Ozgercin, Simona Somma, and Martin Schunk. The analysis was supported by Roland Michelitsch and Rakesh Nangia, both external experts and former heads of an MDB's independent evaluation department. Special acknowledgments are extended to our editor Deborah Glassman, and graphic designers Nadim Guelbi (Créon Design) and Keisuke Taketani.

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Annexes

Acronyms

AER	Annual Evaluation Review
ARC	Audit and Risk Committee
COOs	Countries of Operations
CSDRs	Country Strategy Delivery Reviews
CSRF	Country Strategy Results Framework
CtD	Connecting the Dots
EBRD	European Bank for Reconstruction and Development
ECG	Evaluation Cooperation Group
ETC	Early Transition Country
EvR	Evaluation Report
FAO	Food and Agricultural Organization
GCAP	Green Cities Action Plan
GET	Green Economy Transition
GrCP	Green Cities Programme
IEvD	EBRD's Independent Evaluation Department
IFIs	International Financial Institutions
IPPF	Infrastructure Project Preparation Facility
MAP	Management Action Plan
MAR	Management Action Record
MDB	Multilateral Development Bank
MEI	Municipal and Environmental Infrastructure
MRV	Monitoring, Reporting, Verification
OPA	Operation Performance Assessment
OSX	One Sum X
PFI	Private Finance Initiatives
PMF	Performance Monitoring Framework
PPP	Public-Private Partnership
RO	Resident Office
SCF	Strategic and Capital Framework
SME	Small and Medium Enterprises
TI	Transition impact
ToR	Terms of Reference
VC	Venture Capital
VCIP	Venture Capital Investment Programme

Foreword



2023 has been yet another year of crisis and uncertainty worldwide. It has also been a pivotal year for the EBRD with its governors approving an increase to the Bank's capital of €4 billion to enable it to provide significant and sustained levels of investment in Ukraine's real economy and help support the delivery of EBRD's priorities in all regions of operations. Governors also agreed to a limited and incremental expansion into Sub-Saharan Africa and Iraq, reflecting the growing economic links between those countries and the Bank's current regions.

At the same time, the EBRD, along with other multilateral development banks, is facing pressure from shareholders and other stakeholders to show impact: in short, to deliver more and better. The recent multilateral development banks' joint pledge in Marrakesh to make the institutions better and more effective through enhanced collaboration for greater impact represents their latest commitment to do so.

This year has confirmed, if confirmation is still needed, the importance for an institution like EBRD of having a trusted evaluation mechanism that supports it in achieving its transition objectives by providing the evidence to enable it to understand what works, what doesn't and why. Such a mechanism is key to helping assure shareholders that the billions of euros that underpin their bold and ambitious plans to meet the transition challenges ahead are put to the best possible use. In the EBRD, the Independent Evaluation Department (IEvD) performs this critical function, thereby contributing to effective governance, institutional accountability, and learning.

IEvD delivered several influential evaluations and useful knowledge products in 2023,

helping the Audit and Risk Committee, and the Board more generally, make better informed decisions. As Chair of the Audit and Risk Committee, I was particularly happy to see the collaborative process between IEvD and Management lead to the revision of the EBRD Evaluation Policy, which clarifies the Bank's evaluation architecture and paves the way for greater institutional accountability and learning.

This Annual Evaluation Review provides a retrospective of IEvD's work in 2023 and includes useful insights from recent IEvD reports into the opportunities and challenges for implementing the Bank's approach to green finance and transition. It also looks more deeply into the use of evaluation findings and recommendations and how they influence EBRD's operations.

As expressed in IEvD's Strategic Plan, the challenge ahead is to further strengthen the culture of evaluation and learning within the EBRD. This will make evaluation's impact even greater with a view to effectively supporting the EBRD in delivering more and better. This is a collective responsibility, and the Audit and Risk Committee intends to fully play its part.

I trust you will find this Annual Evaluation Review insightful.

Rosmarie Schlup

Board Director for Switzerland, Ukraine, Liechtenstein,
Turkmenistan, Serbia, Montenegro, and Uzbekistan
Chair of the Audit and Risk Committee, EBRD



A word from the Chief Evaluator

As mentioned by the Chair of the Audit and Risk Committee in her foreword, we live in a world with multiple crises, with the climate crisis remaining a critical global issue that we see accelerating in front of our eyes. The magnitude of the challenges requires concerted action from countries and multilateral organisations, and an effective system of multilateral development banks that delivers more and better.

Evaluation plays a vital role in helping the EBRD improve its performance. Our vision at IEvD is to make evaluations useful and actively used, to achieve this important objective. This vision guides our Strategic Plan 2021–2025, which determines the focus of successive three-year rolling work programmes. Our evaluations match EBRD’s priorities, especially highlighting “Green” initiatives. It is no coincidence that the green theme is the focus of this year’s Annual Evaluation Review insights.

A major accomplishment in 2023 has been the revision of EBRD’s Evaluation Policy, which has been approved by the Board. The revised policy further clarifies the purpose and principles underlying the whole evaluation system, as well as the roles and responsibilities for key stakeholders such as the Board, Management and IEvD. It also aligns better with international good practice.

In 2023, IEvD has continued to produce impactful evaluations, thanks to the committed

team. I am very grateful to the IEvD team for delivering timely, quality products, and for its constant engagement with Management, despite sometimes tight deadlines.

The Annual Evaluation Review offers insights on accelerating climate action and examines the implementation of recommendations. It also serves as an accountability tool, reflecting on IEvD’s achievements and stakeholder perceptions. Looking ahead to 2024, IEvD commits to providing valuable evaluations and fostering a culture of learning and evaluation within the EBRD.

We appreciate the ongoing support from the Board and the EBRD community. We also look forward to strong collaboration with evaluations offices of sister multilateral banks through the Evaluation Cooperation Group, which we are chairing in 2024 and will be bringing to EBRD in the spring as part of the broader and first time ever EBRD Evaluation Week.

We are excited about the future and invite you to engage with our findings from experience.

Veronique Salze-Lozac’h
EBRD Chief Evaluator

1 What have we done?

IEvD's work in 2023

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INTERNAL AND EXTERNAL OUTREACH EVENTS



- | EvalTalks
- | Knowledge sharing sessions
- | Evaluation Cooperation Group and other evaluation society conferences
- | Resident office visits

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ARTICLES AND BLOGS



2

CORPORATE PRODUCTS



9

EVALUATION REPORTS



REVISED EVALUATION POLICY

6

KNOWLEDGE PRODUCTS

New issues of "Connecting the Dots" and other synthesis notes

18

NEW RECOMMENDATIONS



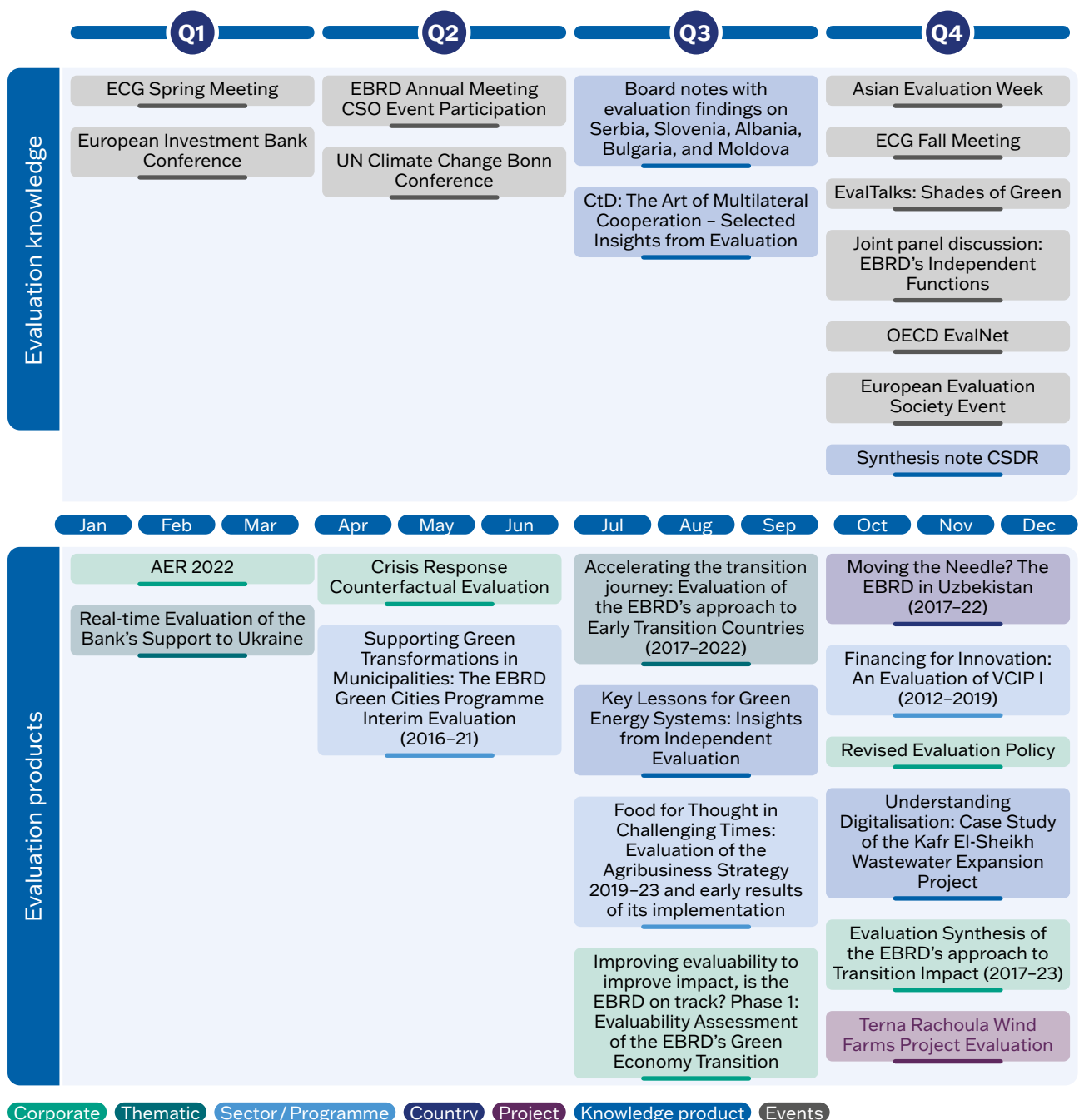
21

VALIDATIONS OF MANAGEMENT'S SELF-EVALUATIONS

IEvD’s Work Programme aligns evaluation topics with wider institutional priorities. In particular, IEvD has focused on ensuring that there is evaluation across the priorities of the Strategic Implementation Plan — crisis response, green transition, supporting equality of opportunity, digitalisation, and learning and results management.

IEvD’s delivery also includes a product mix aimed at maximising influence. Besides different types of evaluations, several knowledge products and events have been delivered — more than 60 in total — contributing to making evaluation useful and used (Figure 1).

Figure 1: IEvD’s delivery in 2023



2 What have we learned?

Insights from IEvD for walking the talk of green commitments

WALKING THE TALK OF GREEN COMMITMENTS



Weak data practices hinder decision-making but with good progress being made

Fresh approaches are needed to mobilise private finance

Sharing information and coordinating workstreams make MDB cooperation successful for climate action

On 3 December 2023, at the United Nations COP28 climate conference, ten major MDBs, issued a joint statement reaffirming their commitment to promote socially inclusive, gender-responsive and nature-positive climate and development action. This statement came as a response to the calls from COP27 for increasing MDBs' climate ambition and against the backdrop of on-going efforts to reform MDBs to align their priorities with the agenda set out in the Paris Agreement (COP21) and the Sustainable Development Goals.

A look at the IEvD's evaluations, knowledge products and validations published in 2023 makes it possible to highlight key insights that elucidate EBRD's performance with respect to the three dimensions covered in this statement: (i) have an increased focus on measuring results and develop a common approach for reporting climate impacts;

(ii) increase the amount of private capital going to climate investments, including by working on regulations and developing new instruments, amongst others, and (iii) improve and intensify MDB cooperation at the country level.

Evaluating the impact of green finance is a complex and challenging task. Drivers of climate change are interconnected and hard to disentangle; the financial instruments that aim to affect these drivers are varied and heterogeneous. Climate change impacts often have long time lags, making it difficult to assess the effectiveness of green finance in the short term. Moreover, limited data on climate-related projects and their outcomes typically hinder monitoring and consequently evaluation. What gets measured gets managed. But not everything that matters can be measured and not everything that we can measure matters.

1. Weak data hinders decision-making but with good progress being made.

Box 1: Operation Performance Assessment Validations

The IEvD has published 21 Operation Performance Assessment Validations in 2023 (Annex 6). Ten of these, comprising six standalone operations and four sub-operations as part of the frameworks, provided new lessons that had not yet been integrated in the 2022 AER. The total EBRD investment in these ten operations was €441 million, consisting of one sovereign and one sub-sovereign loan, five private sector loans, a corporate bond, and a regional investment in a fund, in Central Asia, SEMED, Eastern Europe and Turkey.

The majority of these operations tackled energy transition, with the majority of investments in wind power generation, hydropower, solar, grid enhancement, and a plant conversion. The remaining included transport, property and tourism, financial sector, and services and real estate. In the case of energy transition projects, five out of six operations were co-financed with the help of MDBs and NDBs, such as the European Investment Bank, the Islamic Development Bank, Proparco, and KfW IPEX-Bank.

IEvD's first ever Evaluation Synthesis of the EBRD's approach to Transition Impact (2017–23) highlighted a key requirement underlying the measurement of green results, measuring systemic change. Green impact can only be systemic so the Bank must be equipped with tools and systems to be able to capture systemic impact. That is at the very core of the transition impact (TI) concept. Therefore, constructing a solid Theory of Change articulating the Green Economy Transition (GET) vision of pursuing systemic change and its linkages with the Green Transition Quality is a key requirement. Such a theory of change would provide a better understanding of systemic change, behavioural change, and the results of policy dialogue — all long-term objectives — and greatly benefit project design and subsequent monitoring.

Weak completeness and specifications of expected results had adverse implications for monitoring, as illustrated by IEvD's validations of EBRD's self-evaluation of its green finance interventions (Box 1). Such weaknesses hinder often clear project design

logic, and plausible sources of impact to achieve targeted objectives.

Three common factors underly weak monitoring as revealed by the validations of the Power Sector Energy Efficiency Project (Egypt), Al Rajef Wind Farm (Jordan), Grid Enhancement for Renewables (Poland) and Akfen Wind Project (Turkiye):

- I Lack of baselines, the absence of detailed ex ante CO₂ emission reduction calculations, and difficulty in assessing market-level factors (i.e., related to claimed demonstration effects) hindered the monitoring** of important aspects of these projects.
- I Theories of changes were either incomplete or absent.** The projects did not have an explicit logical pathway linking inputs to desired outcomes, even though the sources of impact are plausible.
- I Descriptions of expected results were ambiguous and, at times, aspects of systemic impact were not specifically articulated.**

The Interim Evaluation of EBRD Green Cities Programme (2016–21) noted the limitations in monitoring related to lack of data. The Green City Action Plans (GCAP) methodology provides a baseline and the GCAPs develop links between actions and verifiable targets according to cities' strategic objectives. Impact monitoring of the programme is well designed to ascertain whether the intended objectives are achieved, but there is no actual monitoring or reporting beyond output level. The Green City Team collected data only on activity implementation status. This breaks the GCAP monitoring plan link between the actions and targets of city objectives. Equally importantly, there have been no clearly defined plans for an “end of GCAP” assessment and follow-up, whereas this could bridge the current monitoring gap.

In the same vein of limitations related to monitoring, the Evaluation of the Agribusiness Strategy 2019–23 found that its Performance Monitoring Framework, including a range of climate-related outputs and outcomes, was not helpful for guiding implementation. The Strategy's Performance Monitoring Framework (PMF) contained climate outputs and outcomes

such as more sustainable land use, improved green standards, CO₂ emission reductions and improved soil and water quality. However, its use as a guiding tool was hindered by the absence of regular monitoring, as project results during implementation were not tracked alongside relevant PMF indicators.

Another key factor proposed by independent evaluations to improve the measurement of green results is focusing efforts on harmonising data and reporting requirements across MDBs to tackle the challenge of measuring performance. Simplifying these requirements will enable clients and local stakeholders to provide genuine data through locally owned monitoring systems. Another step would be to embrace innovative, efficient reporting and monitoring solutions, even if they involve experimentation and occasional failure — an aspect currently less accepted. Additionally, evaluations can benefit more from a combination of quantitative and qualitative measures to construct a coherent narrative of systemic change from inception to completion of green finance interventions (Box 2).

Box 2: Shades of Green EvalTalk

On 28 September 2023, Chief Evaluator, Véronique Salze-Lozac'h, moderated a panel that brought together EBRD and external experts, including representatives from EBRD's Board, Banking, Strategy and Policy, Izmir — one of the EBRD's Green Cities — and the Centre for Global Development — a global think tank.

The panellists offered compelling evidence about the challenges and opportunities that the evaluation of green finance offers to the global community, MDBs, countries of operations, municipalities, and EBRD clients. Unique viewpoints included common themes that resonate well with the ongoing global discussions on “Enhancing MDBs' approaches to tracking and reporting climate outcomes, while continuing to jointly report on climate finance commitments.” as per the [Marrakech Statement of the Heads of MDBs](#).

A review of Country Strategy Delivery Reviews (CSDRs) conducted in the context of the country-level evaluation of the Bank's operations in Uzbekistan (2017–22) illustrated the potential reputational risk for EBRD posed by weak green results data. To the extent that CSDRs intended to

introduce results reporting, their performance could be improved. Results indicators are mostly at output level and are often reported incompletely, inconsistently, or inaccurately. This is particularly true for results related to Green Economy Transition, for which the current reporting relies on ex ante estimates.

The Evaluability Assessment of the EBRD's Green Finance confirmed the efforts made by the EBRD in developing a robust approach to monitoring, reporting and verifying (MRV) its green results. In September 2022, following several recommendations from Internal Audit

and Independent Evaluation, the Bank initiated the development of the internal processes related to post-signing (ex-post) MRV of results that reflect the implementation of any green commitments by clients in projects financed by the Bank. This is a very positive and welcome step forward to ensure more scrutiny of the impact of EBRD's contribution to building green, low carbon, resilient economies. The MRV system represents an opportunity for the EBRD to fight climate change more effectively. Questions remain unanswered in terms of the feasibility of its implementation in a sea of additional new processes that banking teams now face.

2. Fresh approaches are needed to mobilise private finance.

Mobilising private capital is identified as a core strategic objective for EBRD in its Strategic and Capital Framework. Targets have been set for the level of mobilisation expected, including a proportion of at least half of mobilised capital in support to green projects. While recognising the ambition, independent evaluations have drawn attention to the challenges but also to the opportunities of effective mobilisation in different contexts.

The Interim Evaluation of EBRD's Green Cities Programme (2016–21) noted that it expanded its toolbox in 2018 to help municipalities attract private funds to finance their green investments, although implementation is lagging. The implementation of the programme enhanced the path to mobilising green investment. In 2018, a Green Finance Roadmap was developed to help improve the municipalities' processes and procedures to diversify sources of green finance, particularly from the private sector. So far, the two successful examples are the development of the Tirana Green Finance Roadmap (Albania) and the bond issuance of the municipality of Agadir (Morocco).

The Evaluation of EBRD's approach to Early Transition Countries (2017–22) showed that a new approach is needed to structure sustainable infrastructure investments in this context. Affordable tariffs below cost-recovery levels are a major obstacle to developing Public Private Partnerships (PPPs) in the infrastructure sector in early transition countries. This is a political factor

outside EBRD control. Therefore, EBRD must have a flexible structure and be able to quickly reallocate resources to countries as willingness to reform becomes apparent. PPPs are complex, more expensive, and require the government to commit over the long term for the lifecycle of the asset. Countries less advanced in their transition path generally have only a few bankable projects that take a long time before the final award.

The evaluation of the Terna Rachoula Wind Farms project illustrated that, contrary to customary understanding, working with repeat clients in refinancing projects might help mobilise private finance for climate action, particularly in advanced countries. This project refinanced an existing loan of a renewable energy operator in Greece and enabled the operator to further invest its released equity into renewable energy projects, contributing to the country's increased renewable energy generation capacity. A lesson from this evaluation is that the Bank's financing may be more competitive after construction risks have been eliminated and developers are looking to refinance released equity to fund the development of their pipeline projects. In this type of transaction, the EBRD can enhance its additionality by being more demanding at the outset regarding the use of the equity release proceeds, i.e., make them conditional on alignment with its TI objectives.

The evaluation of EBRD operations in Uzbekistan (2017–22) found that the Bank was successful in attracting the private

sector in renewable energy investments as well as strengthening grid infrastructure. In Uzbekistan, the EBRD led on the 2019 PPP Law, the draft Electricity Law, and the wind auctions. The evaluation saw evidence of systemic changes in line with the Bank's strategic priority of promoting green energy. With the first utility-

scale private-sector renewable energy projects demonstrating their technical feasibility and cost-attractiveness, the sector is increasingly attractive to international investors, and the government of Uzbekistan has been motivated to keep up the momentum for transforming the country's electricity system.

3. Sharing information and coordinating workstreams make MDB cooperation successful for climate action.

The sixth issue of IEvD's Connecting the Dots, the Art of Multilateral Cooperation: selected insights from evaluation, sheds light on factors that can help MDBs unlock the full potential of cooperation. National authorities play a key role in creating an enabling environment for effective cooperation. Other factors directly relate to the MDBs. While competition may sometimes feel like a good stimulus, the benefits stemming from complementarity originate from less competition and duplication of work among partners. Cooperation is stronger when MDBs leverage their own strengths to reap the maximum benefits of cooperation as a public good. Good cooperation is often associated with MDBs' complementarity emerging from the additionality provided by each partner.

The Evaluation of EBRD operations in Uzbekistan (2017–22) showed such factors at play and found that effective MDB cooperation was a key factor for successful private sector mobilisation in renewable energy investments. In Uzbekistan, the EBRD carefully directed the provision of both financing and policy dialogue support with other MDBs, particularly the World Bank Group and the Asian Development Bank. To maximise effectiveness, the government agreed with MDBs on an informal "division of roles". On the policy dialogue side, the EBRD led on the 2019 PPP Law, the draft Electricity Law, and the wind auctions, the World Bank led on the 2017 Renewable Energy Law and the solar auctions, and the Asian Development Bank led on tariff reform. This helped to ensure a coordinated and coherent approach to sector reform.

The Evaluation of the Agribusiness Strategy 2019–23 found that the EBRD effectively leveraged the UN's Food and Agricultural

Organization (FAO) sector expertise in policy dialogue and technical cooperation to promote more sustainable practices in the agribusiness sector. The EBRD collaborated with the FAO on policy dialogue and technical assistance, promoting healthier food production and sustainable agribusiness practices. For example, in Ukraine, EBRD and FAO cooperation on the Code of Practice and certification for pork producers elevated environmental and fumigation standards, leading to a notable drop in African Swine Fever outbreaks from 163 in 2017 to 12 in 2021.

The Real-Time Evaluation of EBRD's support to Ukraine, March–December 2022 showed, however, that inadequate cooperation can impact the delivery of time-sensitive investments. The EBRD has played a leading role in supporting coordination between International Financial Institutions (IFIs) in Ukraine, drawing upon its experience and relationships. However, in certain areas, MDBs did not initially take a uniform approach. For instance, each MDB had its own starting point with respect to policies and procedures related to environmental considerations, and there were inconsistencies in how exemptions were being applied in the context of Ukraine. This created difficulties for Ukrainian counterparts, who had to manage a shifting spectrum of different requirements. It also increased the risk of "MDB shopping" as clients congregated around the MDB with the lowest threshold.

The Interim Evaluation of EBRD's Green Cities Programme (2016–21) provided another example of limited MDB cooperation resulting in long-lasting adverse implications for the development of local capacity and hindering further project development. During the first ten years after the 1992–95 war,

most programmes in the canton of Sarajevo were largely designed and implemented without due engagement of the local authorities, nor were the local authorities proactively involved in international aid. Consequently, decision-makers, accustomed to using donor and MDB-sourced grants, underutilised loans and blended instruments to invest in greening the capital, which hindered both the development of a modern municipal strategy and much-needed infrastructure investments.

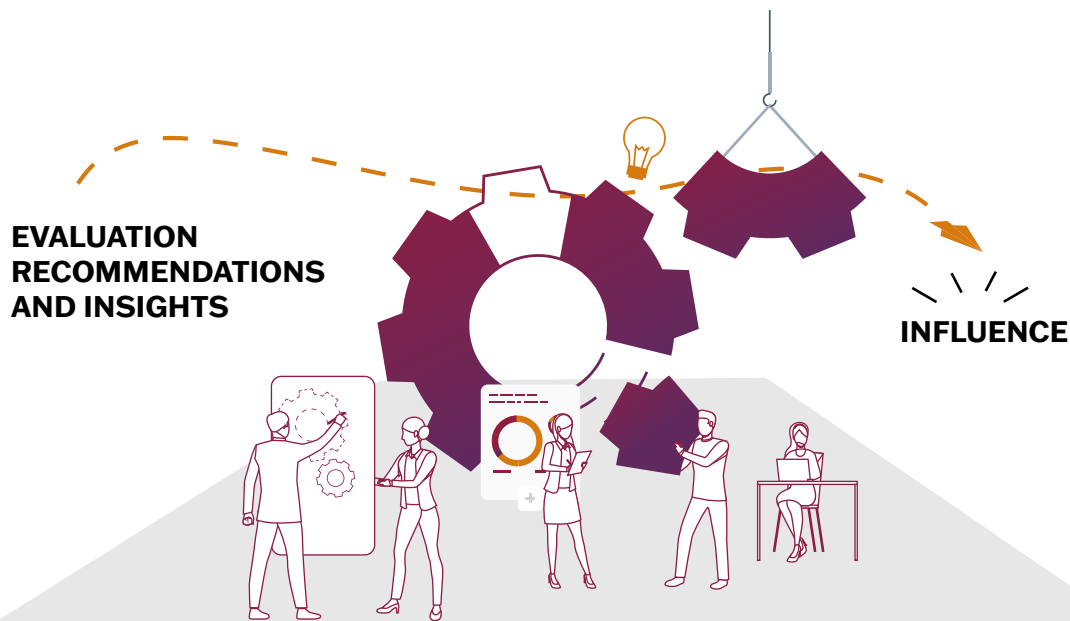
Collaboration also extends to independent evaluation. Following its fall 2023 meeting, the Evaluation Cooperation Group (ECG) decided to set up the ECG Climate Platform.

This is a consequence of the growing importance of integrating a climate perspective in MDB evaluations and increasing need for sharing information, experience, and expertise in this domain. The platform will constitute a community of practice for MDB climate evaluations while maintaining coordination with other relevant initiatives, importantly the Climate Crisis Working Group of OECD DAC EvalNet.

A summary of findings and recommendations from all evaluations delivered in 2023 is available in Annex 2. The next chapter turns from insights to effects and looks at how IEvD is contributing to improving EBRD's performance.

3 How have we contributed to EBRD's performance?

Effects of 2023 recommendations and beyond



Follow-Up on IEvD Recommendations

Enabling or hindering factors

Alignment with external trends

Timeliness of evaluations

Management buy-in

Institutional incentives

Resource and IT constraints

This special chapter¹ endeavours to shed some light on the broader question of evaluation use, looking at the specific angle of “mandatory learning” through recommendations of the IEvD to Management. It starts with an

early picture from 2023 evaluations. A more in-depth review follows, encompassing all sector and corporate evaluations completed in 2018 and 2019, totalling 6 evaluations² with 28 recommendations (Table 1)³.

Table 1: Mature evaluations reviewed

Completion date	IEvD ID	Short title	Recommendations
March 2018	SS17-105	Energy Sector	4
May 2018	SS17-114	Infrastructure PPF	5
October 2018	SS15-086	Investment Climate	3
December 2018	SS16-092	Credit Lines	4
March 2019	SS17-111	Delegated Authority	6
June 2019	SS18-115	Climate Initiatives	6

1. Some recommendations from 2023 evaluations have already triggered action.

Evaluations delivered in 2023 included 18 new recommendations aiming at enhancing the effectiveness and impact of the Bank’s operations. Seven were agreed (39 per cent), and eleven were partially agreed (61 per cent). Of note is that innovative products such as the Real-time Evaluation of the Bank’s support to Ukraine, evaluability assessments related to green financing and green impact, and the evaluation synthesis on the Bank’s approach to TI delivered suggestions rather than recommendations and therefore did not require any formal management action plan. Such suggestions were however discussed with Management and form part of IEvD’s overall contribution to learning lessons about and improving EBRD’s operational performance.

Recommendations from IEvD were mostly of a strategic nature, aimed at strengthening the impact of EBRD’s operations. For example,

the interim evaluation of the flagship GrCP recommended clarification of its ambitions in supporting financial mobilisation, while the evaluation of the Agribusiness Strategy stressed the need for the Bank to “sharpen [...] strategic ambitions [...] by better promoting innovative agricultural techniques and transformational approaches to tackle the challenges of food security and sustainable agribusiness”.

There are various instances of actions being followed rapidly, for example in relation to the Venture Capital Investment Programme (VCIP) where Management added human resources and relocated the team to increase internal synergies, as per IEvD’s recommendation to “Enhance current structure and arrangements by reviewing the organisation and resourcing of the VCIP team [...] so that the Bank achieves both its investment strategy and the internal

1 For this special chapter, IEvD retained two external experts (Roland Michelitsch and Rakesh Nangia) to assess the follow-up to evaluation recommendations. Together they have more than 50 years of experience and they have both led independent evaluation functions at MDBs. The analysis is based on information gleaned from multiple sources: (i) the system (One Sum X, or OSX) used to track follow-up to evaluation recommendations; (ii) tracking information available in IEvD; (iii) follow-up reports to the Audit and Risk Committee by Management and IEvD; (iv) the Audit Report on the Evaluation System and follow-up to it, and (v) interviews of IEvD managers and the Bank’s Management.

2 The assessment focused on evaluations for which Management Action Plans (MAPs) were available. Among all nine evaluations completed in 2018–2019, the Project Evaluation (PE18-602, Mining in Mongolia) and two evaluations for which no MAP was available were excluded: SS17-109 — Property Sector; and SS17-106 — Transport Sector.

3 In the sample reviewed, 71 per cent of the recommendations (20 of 28) had been fully agreed by management, seven (25 per cent) had been partially agreed, and only one (4 per cent) had been rejected. Implementation for all 28 recommendations in the mature sample was considered closed by management and IEvD. As of 2023 IEvD assessed that 15 actions (54 per cent) were satisfactorily completed, four (14 per cent) were partly completed and eight (29 per cent) closed with unsatisfactory progress.

synergies required for high additionality and impact.” The country-level evaluation of the EBRD's operations in Uzbekistan is also a case in point as it was designed and timed to feed into the next country strategy.

More generally however, the effect of IEvD's recommendations takes longer to materialise and depends on different factors. The remainder of this chapter investigates this broader question of the effects and influence of IEvD recommendations on EBRD's policies. Strategies and operations and how to further increase them for an enhanced contribution to EBRD's transition impact on the ground.

“The evaluation triggered a somewhat painful but very useful conversation in our team to reflect on the contributions we make and the value-added we can bring to maximise impact.”

Principal Banker in the Tashkent RO on the Country-level evaluation of the Bank's operations in Uzbekistan

2. There is evidence that IEvD recommendations trigger change, but under certain conditions.

Overall, there is evidence that certain recommendations have an effect, which in some cases extends even beyond the narrow focus of the evaluation.

The Infrastructure Project Preparation Facility (IPPF) evaluation demonstrated significant impact by influencing EBRD's Senior Management to broaden the scope of project preparation. This resulted in the establishment of a larger team, especially for PPP advisory services, and increased resource allocation. Another example is the recommendation related to the energy sector strategy that prompted a review of the approach to sector strategies, leading to the development of a new template adopted not only for energy but also for other sector strategies.

A number of factors enabling or hindering the effect of recommendations were identified.

I Alignment with external factors/trends:

The alignment of recommendations with externalities influencing broader trends and strategic directions can significantly enhance their implementation status. In the case of climate initiatives, the strategic decision by EBRD's Senior Management to align operations with the Paris Agreement, in line with the Board's recommendation,

facilitated the successful implementation of some of the evaluation's recommendations. This underscores the importance of broader organisational goals and commitments in influencing the uptake of evaluation recommendations.

I Timeliness of the evaluation: An evaluation's impact and the effectiveness of implementing its recommendations tend to be greater when the evaluation directly informs a strategy under preparation (e.g., energy sector) or influences an imminent process change (e.g., delegated authority).

I Management buy-in: The level of acceptance and implementation of recommendations from evaluations is often influenced by Management's receptiveness and alignment with its findings and proposed changes. In instances where there is clear Management interest and acceptance, as seen in the Delegated Authority evaluation, the implementation of recommendations tends to be more successful. Conversely, when there is resistance or no full embrace from Management, as observed in the Credit Lines and Investment Climate evaluations, the implementation of recommendations may be limited.

I Incentives: The importance of institutional incentives in EBRD, which are mostly focused on investment volumes, cannot be ignored. For example, there was relatively little focus on technical assistance (e.g., for investment climate or for project preparation), and the fact that credit lines constitute large investment volumes for EBRD was considered by some as one of the reasons for relatively little appetite for changing the system. This highlights the need for a nuanced approach to incentives, ensuring they align with diverse aspects of organisational objectives, including technical assistance and other strategic priorities.

I Resources and IT constraints: The challenges related to the lack of resources and the limitations of IT systems are common barriers to implementing evaluation recommendations. However, the Delegated Authority evaluation demonstrated that smaller changes even in IT-related issues can be implemented expeditiously. This suggests that while resource constraints and complex IT-system changes can pose challenges, strategic prioritisation and efficient handling of specific issues within the broader context can lead to successful and timely implementation.

I Global pandemic: Lastly, it should be noted that part of the lack of follow-up was attributed to COVID-19, which made getting information about or reporting on sub-projects more difficult, for example.

Some I EvD recommendations clearly contributed to EBRD's "green" objectives. For example, in the Climate Initiatives Evaluation, one recommendation was to strengthen and clarify the strategic context and objectives of the climate-related components of the "Green Economy Transition" (GET), to ensure alignment with the Paris Agreement and considering Nationally Determined Contributions. The new GET 2.1 subsequently addressed many points in the Climate Initiatives Evaluation.

However, the review also revealed both positive and negative developments after tracking was closed. A notable instance of quick and strong follow-up was observed in

the Delegated Authority Evaluation, where follow-up to all recommendations was initially considered satisfactorily implemented. This evaluation also demonstrated the dynamic nature of follow-up. The reporting under frameworks was to be enhanced by better quantitative and qualitative information (e.g., sub-operations). While quantitative information improved, I EvD deems the reporting on qualitative information in the latest report to not satisfactorily respond to the recommendation. Such examples illustrate the potential value of periodically reassessing the status of past recommendation implementations, either through dedicated exercises or as part of subsequent, related evaluations, which I EvD routinely does when the same subject is evaluated again.

Actions were also sometimes incongruent with the recommendation or did not fully address its spirit. In some cases, I EvD deemed the actions to be implemented, but noted that they did not appropriately address the evaluation recommendations. For instance, in the Energy Sector Evaluation, one recommendation was to clarify EBRD's approach to hydrocarbons. While I EvD considered this as "implemented satisfactorily" with the adoption of a new hydrocarbon policy, it also remarked that the policy was "clear, even if not in lockstep with the most progressive IFIs". Another example of such apparent incongruence was the IPPF evaluation – where the "action" to address the evaluation recommendation to "develop standard methodologies to assess country-level readiness" was to establish a "New Policy Unit".

An assessment of the relevance of Management Action Plans (MAPs) with respect to I EvD recommendations at the time of their approval may contribute to greater clarity on the progress achieved and its limitations.⁴ It might also contribute to ensuring consistent validation of Management's progress by I EvD, where the initial baseline of agreement/disagreement with the MAP is clear and transparent.

In conclusion, the evidence demonstrates that overall, I EvD's recommendations have clearly had impact in some areas, particularly if the timing was right and EBRD

4 For example, in the Inter-American Development Bank (IDB) Group, the independent evaluation department assesses the relevance of the action plan right when it is completed, to ensure that – if implemented – it fully addresses the recommendation.

Management (and the Board) supported the implementation. In some cases, external factors supported implementation, and incentives are clearly an important contributing factor. Whatever the factors enabling or hindering a thorough implementation

of recommendations, there is a need to strengthen the current system for tracking follow-up to enhance impact. The following section delves into the existing tracking system and concludes with suggestions for enhancing its effectiveness.

3. The follow-up process is key for triggering change, but it needs to be improved.

A robust tracking of the implementation of recommendations stands out as a critical link in the chain aimed at fostering a culture of continuous learning and enhancement within the organisation, and ultimately at enhancing EBRD's impact. As highlighted in IEvD's Strategic Plan, the usefulness and use of evaluations are influenced by various factors. These factors encompass both internal considerations within IEvD and broader aspects related to the overall evaluation process and institutional culture. One broader aspect is a robust system for tracking the implementation of recommendations, to ensure effective implementation and support the culture of evaluation. Additionally, the behaviour and practices exhibited by both Management and Evaluators wield significant influence over implementation quality.

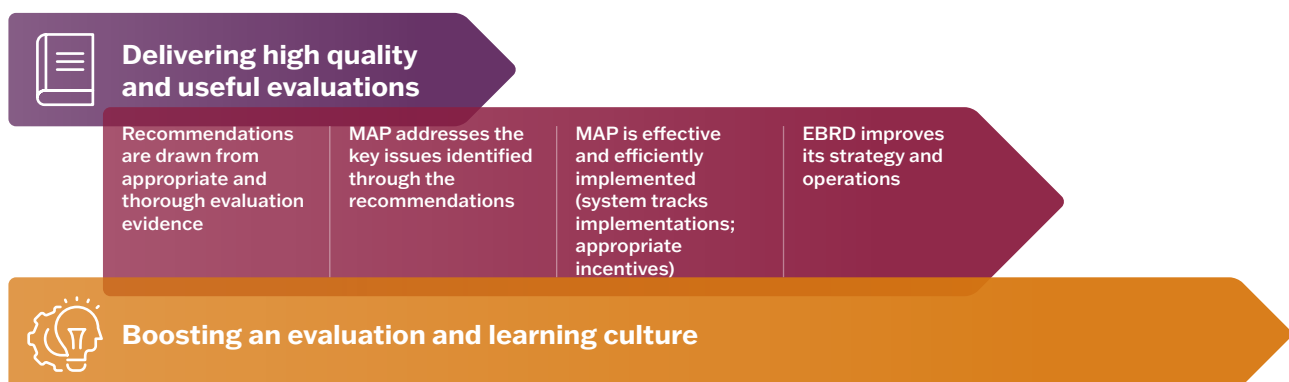
IEvD's structured approach highlights its commitment to a thorough and collaborative evaluation process (Figure 2). IEvD follows a detailed protocol for

evaluating topics, ensuring that it engages actively with Management throughout the evaluation cycle. This collaboration goes from the Concept Note phase to the draft evaluation, where Management's perspective is considered throughout, while IEvD maintains responsibility for the evaluation and recommendations. Recent meetings between IEvD and Management have focused on discussing recommendations separately, enhancing clarity before finalisation.

A necessary condition for effective delivery and use of evaluations and effective follow-up on recommendations is a culture of evaluation. IEvD's work programme and subsequent follow-up on recommendations both rely on and aim to strengthen an evaluation and learning culture that facilitates effective feedback loops and organisational learning from successes and failures alike.

The follow-up process kicks in when evaluations are finalised and aims at ensuring that action is taken by

Figure 2: How IEvD's evaluations are expected to influence EBRD's strategy and operations



Management, as per the Evaluation Policy.

After an evaluation is completed, Management assesses its recommendations as fully agreed, partially agreed, or disagreed, in its Management Response. This response, along with the evaluation, is deliberated by EBRD’s Audit and Risk Committee (ARC). Following committee discussions, Management formulates a comprehensive MAP, commented by IEvD, reviewed by a Senior Management committee, and discussed with the ARC as needed. After finalisation, the MAP is recorded in the tracking system (One SumX or OSX), specifying responsibilities, actions, and timelines. Implementation progress is tracked in OSX, with Management recording completed actions and IEvD evaluating implementation.

An external review of IEvD’s recommendations provided a positive assessment of quality.

For all evaluations there was a limited number of recommendations, all of which were pertinent to the evaluation’s object and purpose, were grounded in its findings, underwent peer review as part of IEvD’s standard processes, and were incorporated in the Executive Summary. Areas for improvement include the use of clearer, more plain language and better facilitating the assessment of progress.

The majority of IEvD recommendations receive full agreement from Management.

The tracking system currently covers 45 evaluations with 210 recommendations. Management fully agreed with almost two-thirds of the recommendations (63 per cent), partially agreed with about one-third (32 per cent) and disagreed with a small number (5 per cent). A 2021 Internal Audit Report of “Evaluation Department’s recommendations follow up” found that for partially agreed recommendations it was not always clear which part was being addressed by the proposed action. Consequently, Management agreed that MAPs will henceforth explicitly clarify which portion of the recommendation they address. In 2022 all IEvD recommendations garnered full agreement. However, in 2023 there was a notable increase in the number of partially agreed recommendations, at about two-thirds (64 per cent, or 7 of 11, from two evaluations) receiving partial agreement (Figure 3). A review of the partially agreed recommendations indicated that MAPs are now much clearer about the disagreed portion of recommendations.

The implementation of almost three-quarters of MAPs is completed on time.

A small percentage (2 per cent) is even completed ahead of schedule. However,

Figure 3: Management acceptance of recommendations

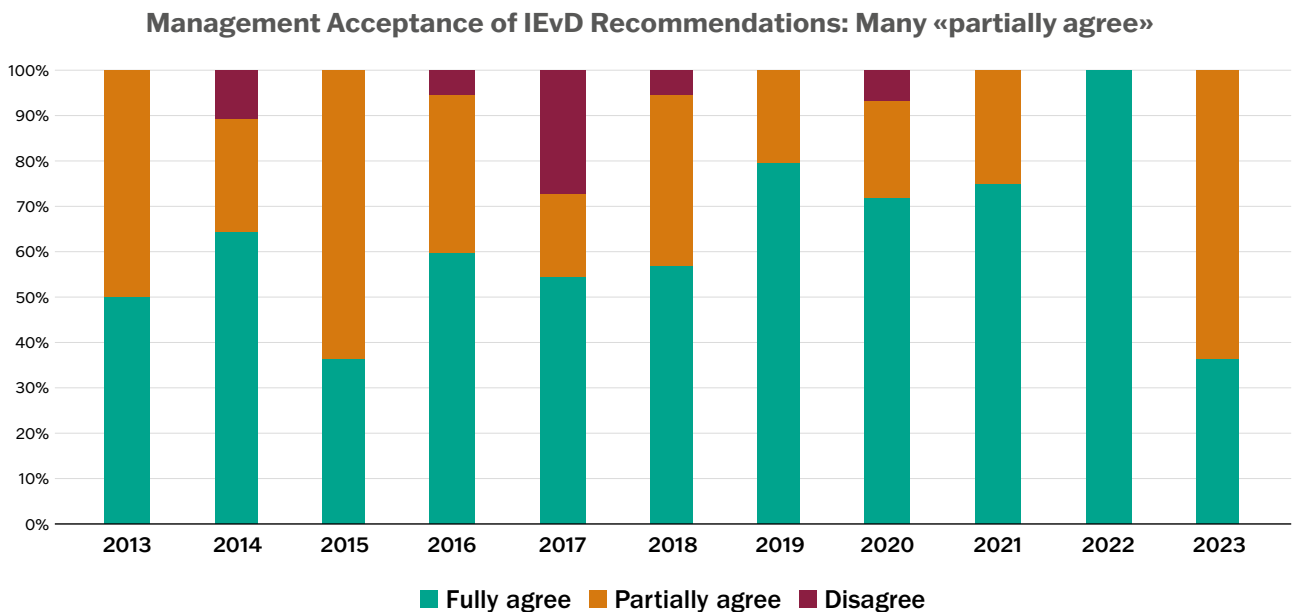
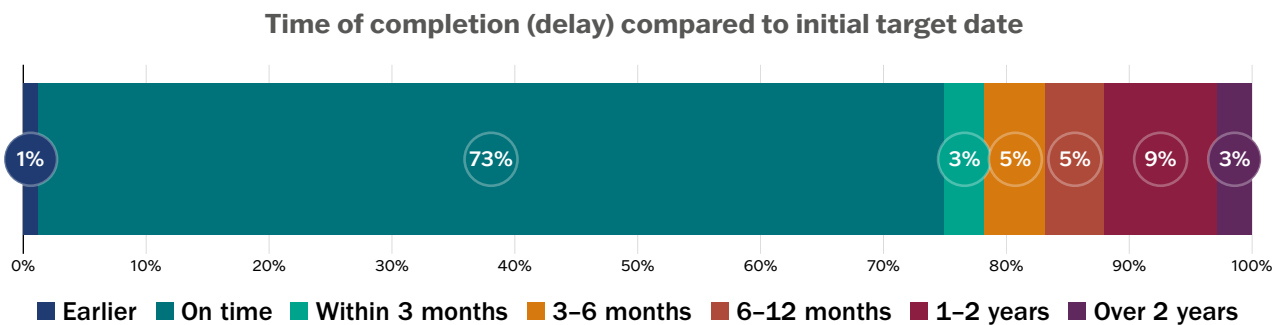


Figure 4: Timeliness of completion of follow-up action



around a quarter of follow-up actions encountered delays, with 12 per cent taking over one year to complete (Figure 4). It is important to acknowledge that the implementation timeline may have been affected by the COVID-19 pandemic.

The current practice requires monitoring MAPs' implementation over a three-year window. Typically, a follow-up to evaluation recommendations is completed within two-four years. As of November 2023, tracking had stopped for nearly all recommendations finalised through 2019. However, some recommendations from 2020 evaluations remained open, and for more recent evaluations, 50 per cent or more of their recommendations are still being implemented. At the closure of tracking, IEvD assesses how well a recommendation has been addressed. Twenty-five per cent of all actions completed between 2013–20⁵ did not satisfactorily address the recommendation and for another 17 per cent, implementation was considered only partly satisfactory. This means that tracking stops even for a significant number of recommendations assessed by IEvD as not been fully addressed.

Implementation quality is not captured in the system. Finally, an important observation is that the crucial information regarding whether recommendations have been satisfactorily addressed is not currently being recorded directly in OSX. Instead, Management and IEvD both use offline spreadsheets, indicating a reliance on alternative sources of information that are not integrated into the system.

Improving the follow-up on recommendations is a first step towards a higher impact for independent evaluation contributing to a higher impact for the EBRD. To enhance IEvD's institutional impact, several improvements could be implemented, including:

- I Further clarifying the governance of the follow-up on recommendations and the role of the different stakeholders, including the Board.** This builds on the revised Evaluation Policy that included a specific role for the Board in relation to this process. Further clarifying roles and responsibilities could enhance the effectiveness of the follow-up.
- I Enhancing the relevance of MAPs.** Ensuring that MAPs explicitly clarify how each action addresses the recommendation and provides a sound basis for follow-up. Early assessment of the relevance of MAPs could be beneficial to ensure they effectively address the underlying recommendations. This may also help in prioritising actions based on their alignment with strategic objectives and available resources.
- I Strengthening reporting:** Establishing and adhering to reporting standards can help maintain consistency and completeness in the tracking system while retaining periodic reporting by Management and associated reports by IEvD on implementation. This would also imply clarifying the status of past recommendations as needed, possibly by periodically revisiting them to assess their ongoing relevance and impact. This can be done as a standalone exercise or

5 For subsequent years implementation of follow-up is still in progress for too many recommendations to be comparable.

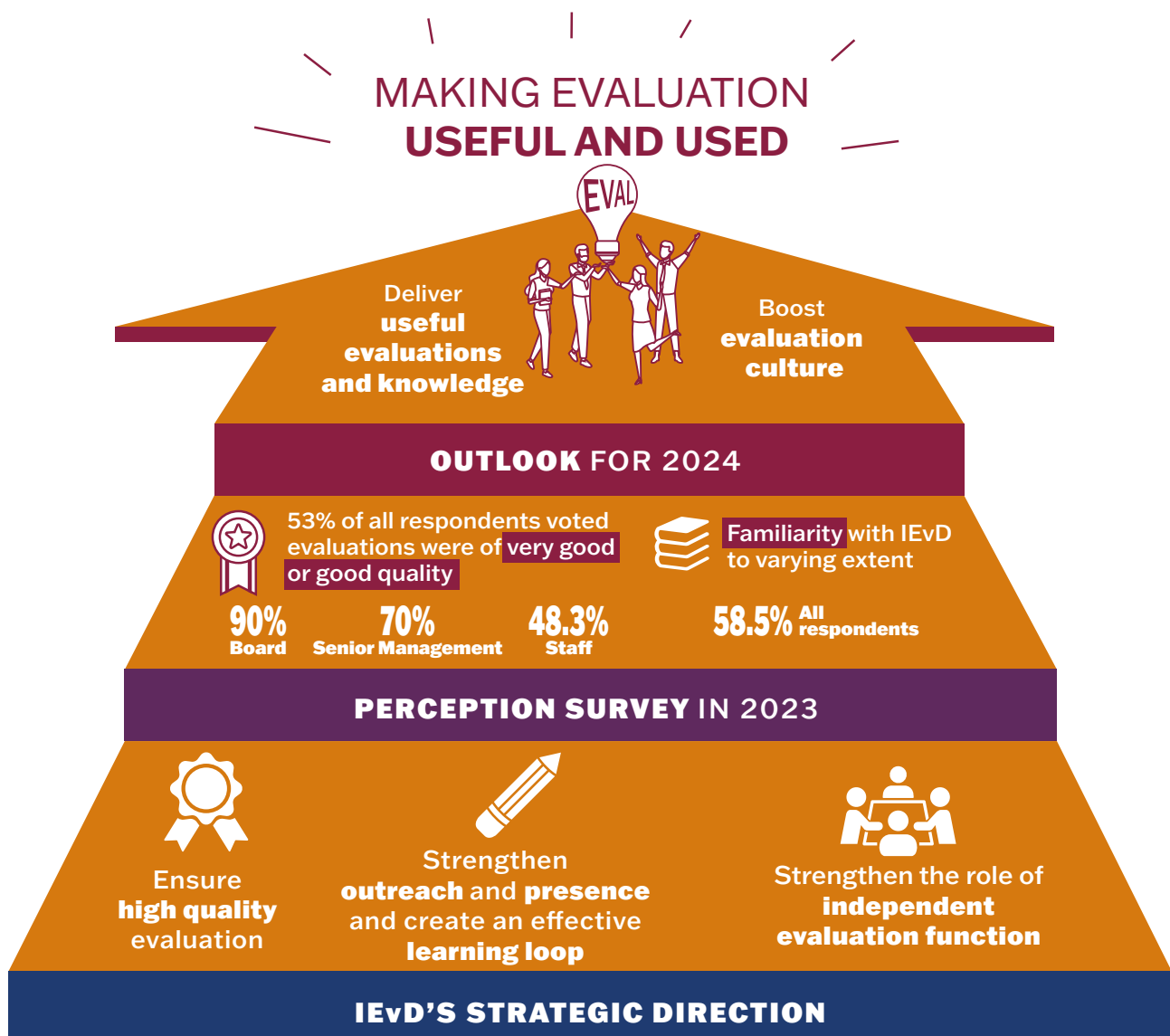
be integrated into subsequent related evaluations.

To ensure the effectiveness of improvements, a collaborative review of the tracking system for follow-up to recommendations is important. IEvD and Management should engage jointly in this process under the oversight

of the Board's ARC. This collaborative effort aims to strengthen the system, ensuring the accurate and comprehensive capture of relevant information, including a more systematic filing of documentary evidence to substantiate claims of implementation. The roll-out of the revised Evaluation Policy presents the right opportunity for fostering such collaboration.

4 How are we transforming to strengthen our contribution?

Progress in IEvD strategic directions and looking forward



EBRD's Evaluation Department has become IEvD

Independent
Inspire

**Bringing evaluation
knowledge into
strategies and
operations**

Independent Evaluation Department



Evaluation
Evolve

**Engaging and improving to
maximise the value of our
work for EBRD's success**

Department
Deliver

**Delivering on our work
programme agreed
with the Board**

1. IEvD made good progress in implementing its strategic directions in 2023.

In 2021 IEvD introduced its new strategic direction to make evaluation more useful and used. The vision aims to better respond to the needs of IEvD’s client (the Board) and key internal and external audiences while remaining true to its role and function of providing independent evidence of EBRD’s results for accountability and learning.

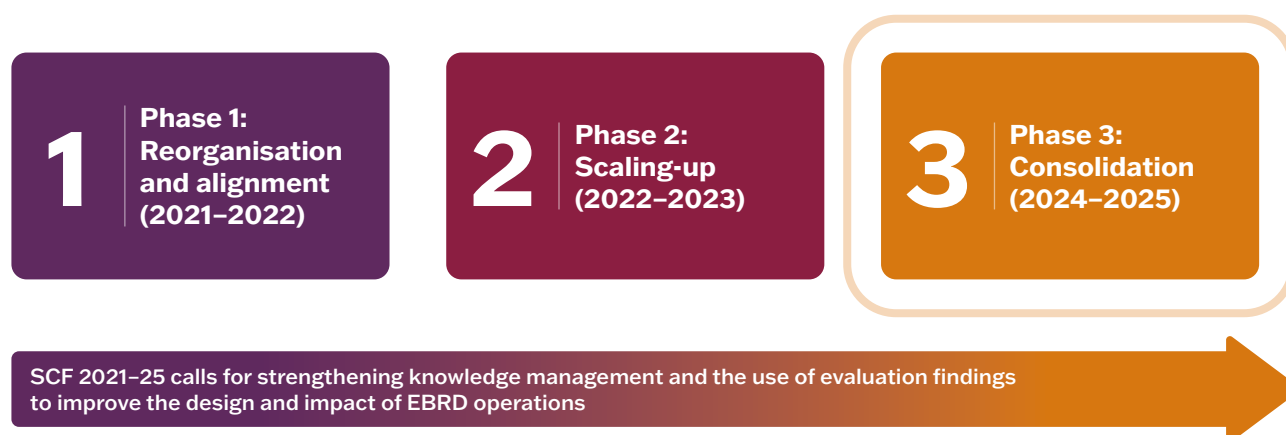
IEvD’s Strategic Plan is articulated in three phases spanning four years from mid-2021 to 2025 (Figure 5). In 2022 IEvD completed phase 1 of the process and finished laying the foundation for the work that started in 2021 and evolved into phase 2, which is dedicated to scaling up IEvD’s activities. Activities in 2023 were delivered along the lines of three priorities:

- I Delivering high quality independent evaluations.
- I Ensuring that independent evaluations are useful and accessible to key audiences.
- I Supporting an enabling environment for evaluation.

The revision of EBRD’s Evaluation Policy¹ in 2023 was a significant step for enhancing an evaluation culture. Revising the Evaluation Policy was the last pending recommendation from the Independent external evaluation of EBRD’s evaluation system². The revision was conducted jointly by IEvD and EBRD Management, and factors in the evolution of the results framework and evaluation architecture at the EBRD, including independent evaluation and evaluation by Management. It emphasises evaluation’s “critical role in improving EBRD’s effectiveness by contributing in two equally important and mutually reinforcing ways: by reinforcing institutional accountability for the achievement of results; and by promoting institutional learning through the provision of objective analysis and relevant findings to inform operational choices and to improve performance over time”. The revised Evaluation Policy was approved by EBRD’s Board on 9 January 2024.

More generally, IEvD tracks progress in implementing its Strategic Plan through its Results Framework (Annex 3). Several of its

Figure 5: IEvD Strategic Plan



1 <https://www.ebrd.com/what-we-do/evaluation-policy.html>

2 <https://www.ebrd.com/what-we-do/evaluation-full-report.pdf>

indicators are measured through an annual survey of Board members, and a bi-annual survey of Senior Management and EBRD staff. This year's survey was conducted from 11 to 31 January 2024, and had a response rate of 11.5 per cent. About 60 per cent of respondents were from EBRD's headquarters (HQ) while 40 per cent were in ROs (Annex 4 gives a detailed analysis).

Indicators show good performance on the first priority set for 2023, delivering high quality evaluations. 90 per cent of respondents from the Board consider the relevance and quality of the IEvD products to be very good or good, and 85 per cent see the timeliness of IEvD products as very good or good.

An additional reassuring factor from this perspective is the good perception of IEvD's independence. Indeed, 75 per cent of Board respondents and 80 per cent of Senior Management respondents believe that the IEvD has been independent of undue influence to a large extent.

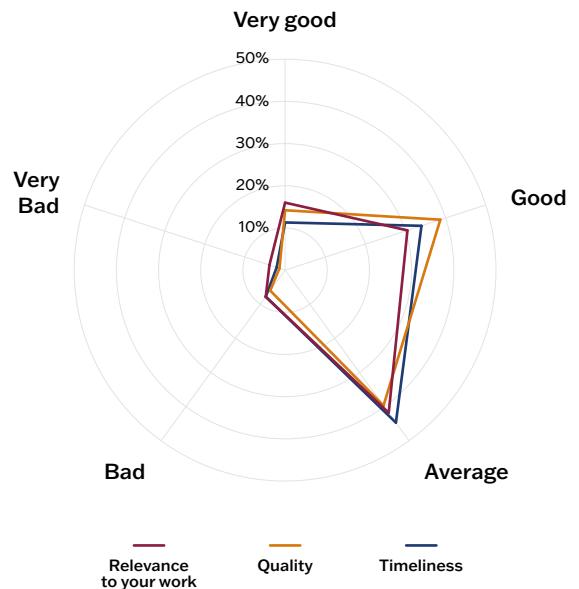
While the Board remains IEvD's key audience, this good result needs to be nuanced by the lower overall results, indicating different perceptions within Senior Management and staff. Overall, the relevance, quality, and timeliness of IEvD products were rated as good or very good by 47 per cent, 53 per cent, and 45 per cent of respondents respectively (Figure 6).

“IEvD insights are an invaluable part of the discussions on policy issues at Board committees”

Board member comment from the survey

With respect to the second priority, the perception of the usefulness and accessibility of independent evaluation is also mixed. While 90 per cent of Board respondents report using evaluation products in 2023, the rate drops to 47 per cent overall, and only 43 per cent when looking at staff only.

Figure 6: Perception of the relevance, quality and timeliness of IEvD products (all respondents)



There is a good potential for IEvD to further boost its influence by working on accessibility. Indeed, despite the relatively low perception of usefulness and accessibility by staff, 62 per cent of respondents from Senior Management and staff consider that IEvD contributed to the improvement of EBRD performance and operations and strategies in 2023 to a large or to some extent, signalling that working further on accessibility may have a good effect on the perception of its contribution to institutional performance. Also, 95 per cent of Board respondents have reported that independent evaluation has contributed to a large or some extent to their understanding of EBRD's performance, indicating the clear supporting role that IEvD plays with the Board.

The need to work further on making evaluation findings more accessible is very clear from the survey. IEvD has further progress to make, as 41 per cent and 47 per cent of staff and Senior Management respondents are satisfied to a large or some extent with the videos, events, and Intranet blog posts, respectively. Board respondents are again more positive, with satisfaction above 50 per cent across channels and reaching 95 per cent with information notes and short emails, signalling the need for IEvD to pursue the use of short, crisp instruments for communicating insights to Board members.

“Evaluations are not practically impacting the work of Bankers and are not aimed at helping them do their job better. The communication of any tangible outcomes and results is also not done sufficiently so there is no impact of the evaluation product on Banking practice beyond visibility to Senior Management and Board Members.”

Staff comment from the survey

Finally, in relation to the third priority, a sobering 41 per cent of respondents mentioned having no familiarity at all with IEvD, a higher rate than in the previous survey (33 per cent) and confirming the needed emphasis on embedding a culture of evaluation in plans for 2024.
A reassuring 85 per cent rate of familiarity

among Senior Management signals that the foundation exists for supporting such a culture. It is also interesting to note that like the previous year's results, familiarity with the IEvD remains higher in Resident Offices (ROs) (66 per cent) than at HQ (54 per cent), possibly pointing to the effectiveness of the targeted communication started by IEvD in the past years. On the other hand, the relatively low familiarity among Board respondents — 65 per cent — is a reminder that continuous communication with the Board is needed due to turnover.

The most frequently selected word to describe the independent evaluation function of the EBRD makes a reference to its independence. This year, all survey respondents were asked to describe the IEvD in one word (Figure 7). Besides “independent” (mentioned 21 times), respondents chose words that describe the IEvD as “useful” (16), “good” (12), “important” (9), “necessary” (7), and an “accountability mechanism” (5). In addition to very positive descriptions of the IEvD, other words, mostly mentioned by staff, such as “unnecessary” (4), “detached” (4), “invisible” (4), “outdated” (2), or “disconnected” (2), even if used less frequently, provide a sense of the work remaining to be done in terms of boosting communication and the culture of evaluation, but also with respect to addressing concerns expressed and accepting them as legitimate. To end on a more poetic note, the reference to “Cinderella” warrants reflection.

Figure 7: IEvD in one word from the survey



2. 2024 will focus on fostering a culture of evaluation.

In 2024 IEvD will enter the final phase of implementation of its 4-year strategic directions, which will focus on consolidation. Two strategic priorities have been emphasised for 2024 recognising that delivering credible and useful evaluations is a necessary but not sufficient condition for ensuring that independent evaluations are used to improve the Bank’s performance and impact (Figure 8).

1. Continuing to deliver high-quality and useful evaluation insights on time for decision-making, with attention to the Work Programme balance of coverage and product mix; the relevance of knowledge products (e.g., Connecting the Dots series); the expertise of IEvD staff; the use of innovative products, approaches, methodologies and technologies; robust quality assurance processes (protocols

Figure 8: IEvD priorities for 2024–26

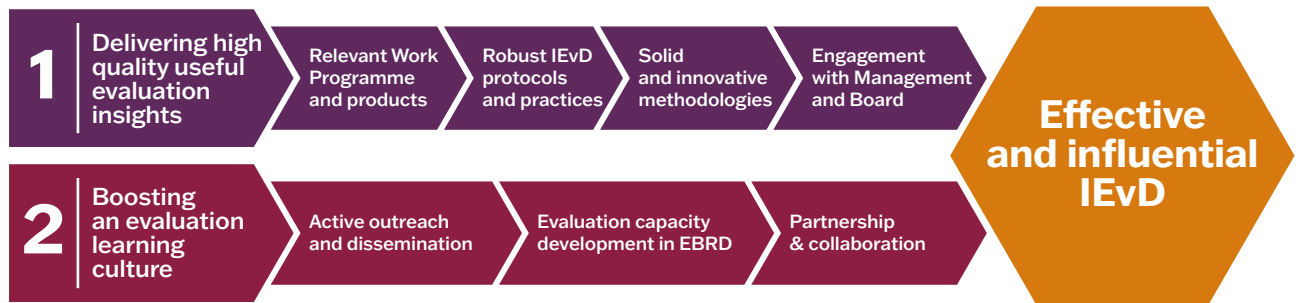
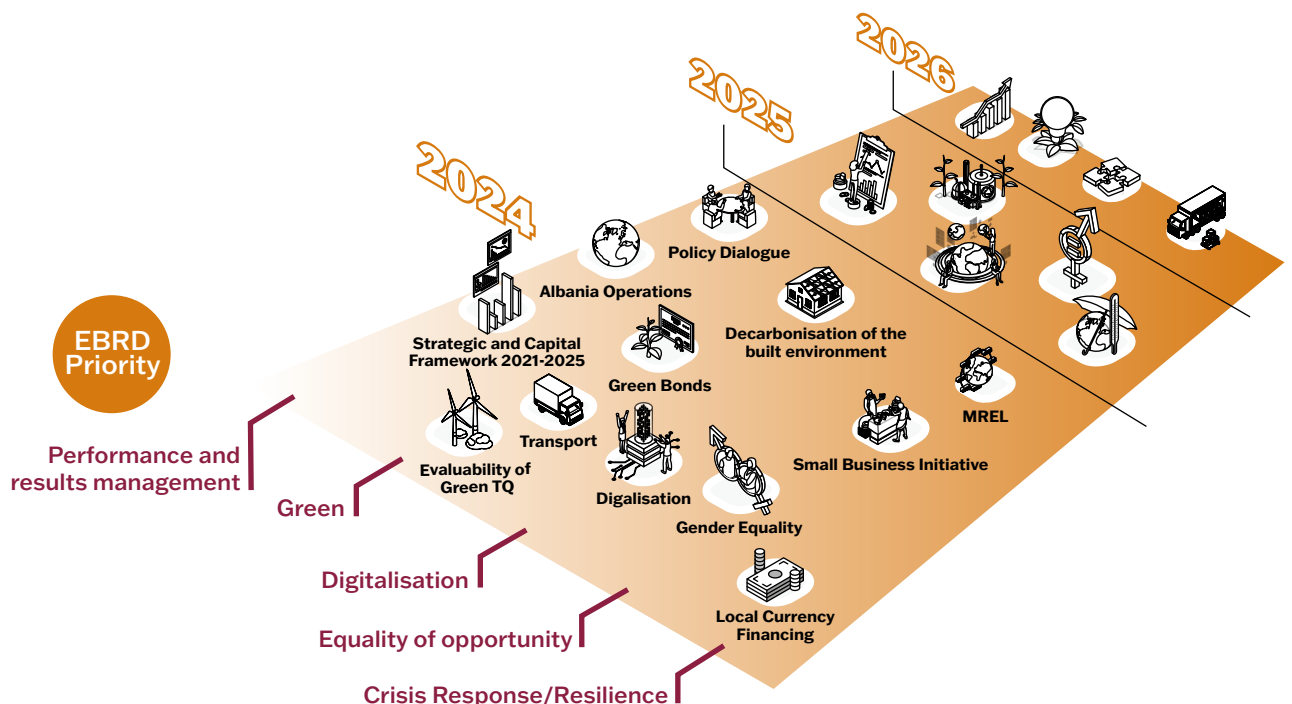


Figure 9: IEvD’s work programme by institutional priorities



and best practices); and constructive engagement with the Board, EBRD Management and staff to ensure that evaluation findings and lessons are used.

“The Connecting the Dots series are great.”

Senior Management comment from the survey

- Boosting the culture of evaluation and learning in EBRD** with effective learning loops through outreach and dissemination activities; enhanced Evaluation Capacity Development (ECD) for EBRD staff, in close collaboration with Management in view of raising awareness on the key principles stated in the revised EBRD Evaluation Policy and the role and benefit of evaluation in making the Bank more effective, and in close collaboration and partnership with other partners in the international arena of evaluation.

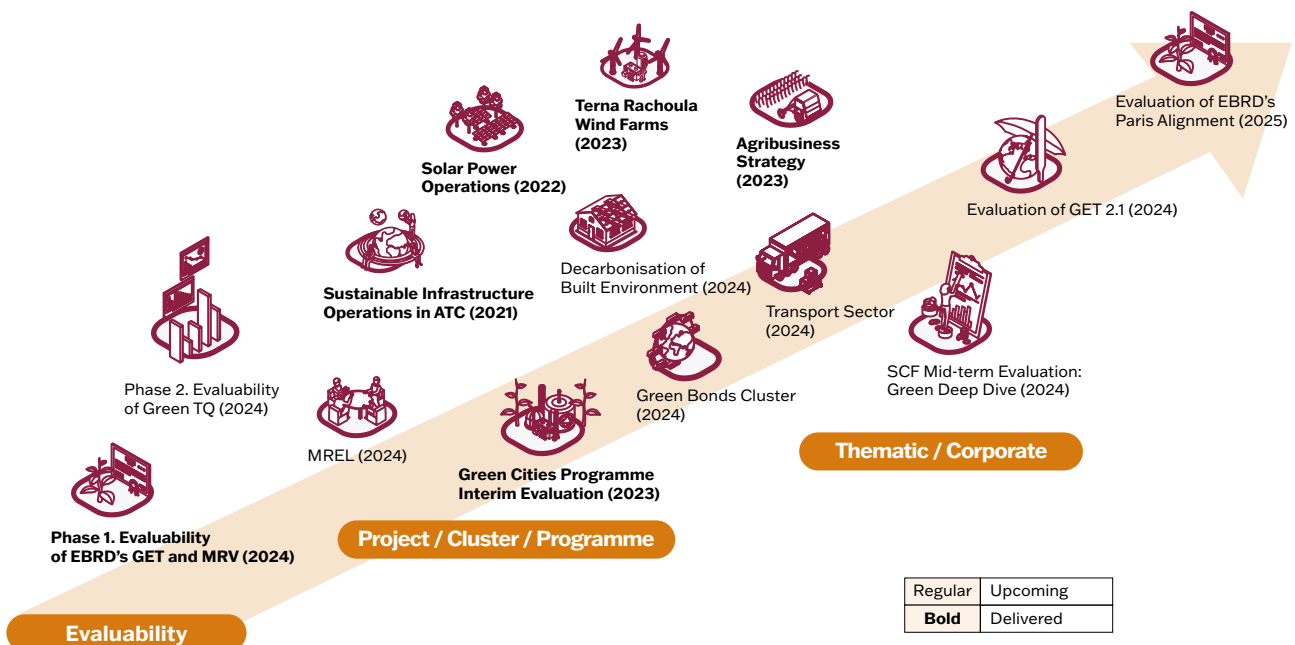
IEvD’s Work Programme aligns evaluation topics with wider institutional priorities. In particular, IEvD has focused on ensuring evaluation across the Strategic Implementation

Plan’s priorities of crisis response, green transition, supporting equality of opportunity, digitalisation and learning and results management (Figure 9). It includes the evaluation of the Strategic and Capital Framework (SCF) and factors in commitments made as part of the proposal for a paid-in capital increase. The Work Programme also includes the future evolution of IEvD, with a self-assessment scheduled to start in 2024 and feed into the next external review of evaluation at EBRD, as per the revised Evaluation Policy. This will be the focus of upcoming Annual Evaluation Reviews. Annex 5 provides an overview of the Work Programme over 2024–26.

The focus on green begun in 2023 will continue in 2024 paving the way for broader evaluations of the Green Economy Transition Approach 2.1, and of Paris alignment. Initial pieces expected for delivery in 2024 include focusing on EBRD’s investment in Green Bonds, and support to the decarbonisation of the built environment (Figure 10).

In the words of EBRD’s Vice-President and Chief Transformation Officer, Dina Matta, “we know [...] that to truly transform and bring about lasting change, we also need to work on having the right kind of mind-set,

Figure 10: IEvD’s Green products



behaviours and learning culture needed to fix what is not working today whilst preparing for tomorrow.” It is in this spirit that IEvD is emphasising the fostering of a culture of evaluation in the consolidation phase of its strategic plan. As mentioned in the revised

Evaluation Policy, “A well-functioning evaluation system is a key building block for developing an evaluation culture. Such a culture for enhanced performance across the organisation in turn helps catalyse the full benefits from the evaluation system.”

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Annex 1: The IEvD team



Annex 2: Summary of key 2023 evaluation findings and recommendations

Corporate

The long journey of EBRD's Transition Impact — Evaluation Synthesis of the EBRD approach to Transition Impact (2017–23)

The report is available [here](#).

Background

Over the last year, IEvD and the Impact Team have substantially increased dialogue and exchange. Their common objective is to strengthen the Bank's approach to TI.

This realist evaluation synthesis aggregates relevant evaluation findings from a broad evidence-based body of evaluation knowledge covering 2017 — when the TI concept and operationalisation were last reviewed — to 2023. These findings were complemented by insights emerging from greater engagement and exchange with Management during the preparation of the synthesis. This has made it possible to contextualise past evaluative insights and weight them to enable a meta evaluation of such findings that speaks to current challenges of TI methodologies and results architecture.

The synthesis reaffirms the relevance of past evaluations and underscores the complexity of enhancing TI methodologies and results architectures. Strategic-level insights highlight EBRD's pioneering focus on impact yet identify weaknesses in external communication and the transition results architecture. Operational-level insights underscore the importance of the Expected Transition Impact methodology while pointing out its limitations in capturing the full scope of impact.

Suggestions

IEvD suggestions include the following:

- 1. Focus on measuring systemic change.** This may include articulating “transition pathways” for each TQ based on a Theory of Change at sector level, and reviewing the ATQs to better understand transition gaps by sector.
- 2. Consider modelling to better understand TI.** Modelling may greatly help better understand the wider impact of the Bank's interventions and bridge the “missing middle”; undertaking a feasibility study is suggested to understand which and how modelling tools are suitable for the EBRD.
- 3. Re-think the operationalisation of TI.** Rethink the conceptual definition of the TQs and their operationalisation, for example, starting with the Resilience TQ, to better understand, capture, and measure TI, including in a context of crises.
- 4. Better capture TI in times of crisis.** Review the evaluation's methodology as the key tool to incentivise and measure impact and include it in the context of crisis. This can be complemented by developing a dedicated assessment to capture TI stemming from policy work non-associated with investments.

Management response

Management agreed with IEvD's suggestions and signalled that it was “keen to continue the collaboration with IEVD in the next phase to elaborate on the operationalisation of the Resilience Quality”.

Country-Level

Moving the needle? The EBRD in Uzbekistan (2017–22)

The report is available [here](#).

Background

In 2023, IEvD reintroduced country-level evaluations into its product mix, with a pilot evaluation of the Bank's operations in Uzbekistan covering the period 2017–22. The rationale behind piloting country-level evaluations was to provide a new perspective on how the EBRD contributes towards systemic change. The evaluation used a theory-based approach. It examined evidence for systemic change, using the Bank's strategic priorities in Uzbekistan as an initial framework: enhancing competitiveness, promoting green energy, and supporting regional integration.

A critical part of this evaluation was developing an understanding of the political economy context in Uzbekistan and the evolving role that the EBRD has played since it re-entered the country in 2017.

Main findings

The report found that the Bank's re-entry into Uzbekistan has been a success story overall. The Bank has seen a rapid rise in investment, built on establishing deep relationships with local stakeholders. Operations have demonstrated strategic relevance and additionality, as well as coherence with other IFIs. The EBRD has contributed towards systemic change in Uzbekistan's green energy and banking sectors, through investments and policy dialogue. In other areas, such as municipal infrastructure or regional connectivity, progress has been more limited, both because of challenges in identifying bankable projects and of implementation delays.

Recommendations

IEvD provided the following recommendations:

1. Focus efforts on strategic priorities where potential impact and additionality are clear. If the Bank continues prioritising regional connectivity, given the lack of delivery so far in this area, propose a targeted and evidence-based approach in the new strategy laying out where the Bank sees feasible opportunities to deliver and additionality in doing so.
2. Identify and promote systemic change mechanisms as part of both direct financing to the private sector and the Advice for Small Business Programme. These may include focusing on aggregators, targeting strategic sub-sectors with the greatest potential for fostering systemic change and promoting market-building activities.
3. Explore mechanisms to address political economy risks in the preparation of Municipal and Environmental Infrastructure (MEI) projects and factor in such risks better when specifying project timelines.
4. Explore and address barriers restricting private finance initiatives (PFIs) from bringing potential transactions under the Risk-Sharing Framework to the EBRD.

Management response

Management partly agreed with recommendations 1, 2 and 4, and agreed with recommendation 3.

Programme / Sector

Financing for Innovation: An evaluation of the Venture Capital Investment Programme I (2012–19)

The report is available [here](#).

Background

The Board approved the Venture Capital Investment Programme (VCIP) I in September 2011 with an envelope of €100 million. Its principal objective was to “support the development of technology innovation and its commercialisation and promote venture capital investments in the (Countries of Operation) COOs”. The Bank expected to achieve these high-level objectives by (i) deploying funds in its economies and helping to close the financing gap in the VC markets — as measured by portfolio indicators, (ii) demonstrating market expansion – as measured by profitable exits, increased revenue, employment, and number of patents filed by portfolio companies, and (iii) encouraging VC to increase its marginal presence in EBRD economies — as measured by capital invested by co-investors, encapsulating new investors in follow-on financing rounds, and first-time investors in EBRD economies.

Between 2012–21, the Bank, alongside co-investors, invested in 15 companies in 9 countries, deploying €68 million under the programme. Of 15 investments, 11 are completed.

Main findings

The rationale for establishing a direct VC investment vehicle was and remains valid. The design and objectives of the programme were relevant to the local companies and investors as there was a sizeable VC financing gap in EBRD economies. Co-investors and wider stakeholders broadly confirm the validity of the programme’s objectives and design.

The financial success of the portfolio contributed to the development of the VC ecosystems, but its impact on innovation has been limited. Based on available data, it

appears that the programme performs on a par with European venture funds from the same vintage years of 2011, 2012, 2013 and 2014. On the other hand, in terms of supporting competitiveness through innovation, the programme has been only partially effective. The companies in which the Bank invested in the programme had innovative business models. Generally, in terms of imitating and adapting globally available technologies to local markets, the portfolio companies were successful. However, only a few demonstrated global ambitions. Against the expectation at the approval, none of the portfolio companies filed a single patent application. Further, there have been no investments in the two technology sectors explicitly mentioned in the approval document – cleantech and semi-conductors and materials.

Suggestions

1. Consider developing an approach that casts a broader net in terms of technology sectors to enhance the VCIP’s impact on competitiveness and innovation. While financially successful, the execution of the VCIP I investment strategy led to a portfolio of companies clustered within online marketplaces or e-commerce platforms.
2. Enhance the current structure and arrangements by reviewing the organisation and resourcing of the VCIP team (including possible out-of-the-box arrangements) so that the Bank achieves both its investment strategy and the internal synergies required for high additionality and impact. The success of EBRD investing in VC should be measured by financial performance together with achieving sound banking, additionality and impact.

Management response

Management agreed with both recommendations.

Corporate

Improving evaluability to improve impact, is the EBRD on track? Phase 1: Evaluability Assessment of EBRD's Green Economy Transition

The report is available [here](#).

Background

This report looks at the evaluability of the GET 2.1 and the MRV system in an attempt to provide an independent view of how the EBRD is improving its ability to tell its “Green story”.

This assessment used the evaluability framework of three different levels: evaluability in principle, practice, and use.

Main findings

The GET 2.1 and the new MRV are a positive and welcome step forward towards for EBRD to become a “green Bank”. At the same time, evaluability in principle is weakened by the absence of a theory of change; the theory of change underpinning the GET is at best implicit, at worst absent.

GET 2.1 sets only two programme-level targets: the GET ratio reaching 50 per cent by 2025, and the outcome-level range for overall GHG emissions reductions. The GET ratio is a clear target, which provides a high-level benchmark to assess performance. However, there is poor link between achieving the GET ratio and delivering upon the GET objectives. In addition, the GET 2.1 includes a “performance dashboard”, which may have utility in providing a more comprehensive approach. However, at this stage, the performance dashboard contains no targets with which to benchmark performance. Nor does it appear to be in use.

In terms of evaluability in practice, the green MRV system marks a significant step forward towards establishing evaluability in practice for

the Bank's green finance. This will have a major positive impact on the Bank's evaluability in practice of green finance operations.

At the same time, and notwithstanding the early stage of MRV implementation, IEvD had several observations.

1. Measuring mitigation is comparatively straightforward, but measuring adaptation is much more challenging.
2. The green MRV system is not being applied for climate adaptation investments supported through intermediated finance.
3. The Bank's covenant system, and by extension its enforcement of the collection of green MRV data, is predicated on client reporting rather than on the quality of data coming in.
4. The organisational processes for storing data and integrating green MRV data with other processes are still in development and require careful monitoring.
5. It is not clear to what extent and how the Bank will use/report on ex-post green data, either internally or externally.
6. There is no evidence of feedback loops having been put in place to reflect on data generated by the green MRV system. There is a clear demand for reliable ex-post from donors. However, it is not yet clear whether the MRV can respond to all donor demands.
7. Questions remain on how the Bank will deal with the lack of green compliance, though requirements to report Green Project Monitoring Plan data will be covenanted in loan documentation.

Programme / Sector

Food for Thought in Challenging Times — Evaluation of the Agribusiness Strategy 2019–23 and early results of its implementation

The report is available [here](#).

Background

This interim evaluation covers the first three years of implementation of the Agribusiness Strategy, with a primary objective to identify issues useful to inform a future strategy.

The main methods used included a portfolio and document review, as well as client interviews. The evaluation samples include 23 projects and 13 policy dialogue activities.

Main findings

An EBRD Strategy was of good quality but had limited bearing on the portfolio's structure.

- The strategy's quality of design was good, thanks to solid diagnostics and intensive consultations, but it had some gaps. The diagnostics could have been more comprehensive, and better frame potential linkages to the Green Economy Transition. Some priorities needed better definitions for clearer and more strategic implementation. Finally, the Performance Monitoring Framework had little utility.
- The strategy had limited bearing on operations, demonstrated by a difficulty in shifting to "new" priorities related to Green and Inclusive TQs on a larger scale. Competitive dominates the primary TQs as it has done in the past.
- But the strategy appears to have led to some evolution. There was a shift among secondary TQs, with the proportion of Green and Inclusive TQs growing substantially during the Evaluation Period, indicating the Bank's attempt to promote them through the projects' smaller components.

Most results were achieved despite the challenging context, but some priorities were missed, and resources were strained.

- The Bank has made an important contribution during the last three years to the agribusiness sector in several COOs, particularly Ukraine, Türkiye, and those in Central Asia and made progress mostly on Competitive, Integrated, and Well governed TQs.
- Many of the projects evaluated have struggled with achieving the desired TI at the scale initially planned or have not managed to deliver against secondary TI objectives, which were not core to their business model (e.g., Inclusive).
- The Risk Sharing Facility proved to be an excellent tool and enabled many high TI projects with SMEs, particularly in Central Asia.

The Bank has often demonstrated added value for the sector beyond investments, but untapped potential remains, especially on the innovation front.

- The additionality of agribusiness projects has been generally strong although dependent on context, with some working capital loans being less additional.
- Non-financial additionality was particularly strong, with the Bank's Advice for Small Businesses, other TCs, with grants and policy dialogue playing a critical role and being highly appreciated by clients.
- Although singled out in the strategy as an important cross-cutting area, support to innovative agribusiness techniques was limited.

Recommendations

EvD provided the following recommendations (2 strategic, three operational).

1. Sharpen the strategic ambitions of the Bank in the sector by better promoting innovative agricultural techniques and transformational approaches to tackle the challenges of food security and sustainable agribusiness.
2. Approach “innovation” more strategically and proactively, improving the Bank’s value proposition for its clients and better target sustainability gaps.
3. Set clearer operational priorities, avoiding “catch-all” definitions, by including more precise objectives tailored for each of the Bank’s key target countries/regions.
4. Better specify and articulate the main objectives of policy dialogue.
5. Enhance the Performance Monitoring Framework to serve as a management tool.

Management response

Management agreed on the first recommendation and partially agreed on the others.

Thematic

Accelerating the transition journey — Evaluation of EBRD's approach to Early Transition Countries (2017–22)

The report is available [here](#).

Background

This evaluation reviews the early transition country (ETC) classification and its use in the EBRD, and the extent to which it is furthering TI in EBRD's smaller, and less advanced countries. It provides an assessment of the results of EBRD's work there from 2017 to 2022, across the three strategic priority areas identified in 2016 for ETCs. These included: i) private sector development and access to finance; ii) sustainable infrastructure development and renewable energy, and iii) inter-regional connectivity and international integration.

The evaluation question covers three areas guided by the OECD development assistance criteria including the relevance and coherence of the approach; effectiveness and results achieved; and, efficiency, whether tools and resources used efficiently. The scope included the range of tools and instruments deployed in the ETCs including those of the Small Business Initiative such financing frameworks, municipal frameworks for infrastructure, CAPEX grants, donor supported advisory services for SMEs and financial institutions, policy dialogue and legal transition initiatives.

The evaluation team took into consideration constraints present across ETCs during the evaluation period including the COVID-19 pandemic restrictions, the impact of Russia's war on Ukraine, geo-political dynamics including conflict and the challenges of the political economy.

Main findings

The main findings of the evaluation were threefold. First, the relevance of the ETC classification and transition approach is not always adequate. Second, some countries show positive results despite pandemic delays while others lag. Lastly, Bank resources are used more efficiently with delegated frameworks and local staff, but country donor fund allocations remain unclear.

Recommendations

1. Review the ETCs classification and use in time for the next SCF in 2025 to better redirect support to countries with the biggest transition gaps.
2. Design and implement a programme for services to small municipalities and increase RO PPP unit resources where needed to help develop further sustainable infrastructure in ETCs, complementing the offerings of other IFIs.
3. Develop a pipeline of transport, logistics and energy regional connectivity projects, by leading discussion with other IFIs and governments to expand cooperation, reach agreement and start implementation.

Management response

Management agreed with the three recommendations. It expressed some reservations about the ability to expand municipal frameworks and work with partners beyond those already engaged on increasing inter-regional connectivity, due to the challenging political economy factors in ETCs, and the activities of regional organisations determining the agenda.

Programme / Sector

The EBRD Green Cities Programme interim evaluation (2016–21)

The report is available [here](#).

Background

EBRD has been implementing the Green Cities Programme (GrCP) since 2016. The GrCP unique approach is the preparation of Green City Action Plans (GCAPs) for participating cities where priorities and actions are defined and driven by local stakeholders. The programme also delivers horizontal programmatic activities for, exchanging experience, learning and innovations.

The evaluation is an interim evaluation of the GrCP and focused on assessing the extent of GrCP's progress towards its objective of becoming a sector-wide catalyst for addressing environmental and climate change challenges at the municipal level.

Main findings

The GrCP is a much needed, fast-growing, flagship programme for delivering GET. It is relevant to cities and to EBRD strategic priorities, including establishing a systemic approach to GET.

Through GCAPs the programme empowers cities to define their green objectives and related investment priorities. Its key strength is the connection between GCAP preparation and offering investment finance for its implementation. Going forward, support for continuous local ownership and enhanced localisation in implementation are required.

To date, operations are mostly in the municipal infrastructure sector. Further efforts are needed for sector integration beyond MEI and for catalysing EBRD GET investment.

Successful impact will depend on local ownership, capacity for implementation, and access to finance. EBRD participation in GCAP

implementation is growing. The programme's transition monitoring will require improvements for credible narratives of a successful Green transition.

Recommendations

Strategic Recommendations

1. Strengthen the catalytic function and synergies across sectors and accompanying policy: Derive maximum value from the prioritisation exercise by deepening GCAP implementation with follow-on investments, including in energy sector and increase the focus on accompanying policy action.
2. Clarify the ambition to support for financial mobilisation at city level: Confirm continued ambition in providing support to cities in financial mobilisation through Green Finance Roadmaps and municipal/green bonds, and articulate framework level targets.

Operational Recommendations

3. Enhance the localisation of the approach to GCAP development and implementation: Through optimised use of RO-based in-house expertise; use consultants, including local consultants; tailored continuous capacity building actions matching a city's initial and developing capabilities and needs.
4. Strengthen TI monitoring: Deliver on the programme's existing commitments under the current transition monitoring framework, including adequate reporting.

Management response

While Management agreed in principle with all recommendations, it agreed only partly with the specificity of the recommended actions of recommendations 2, 3 and 4.

Annex 3: IEvD's Results Framework — 2023 Update

Refresher: IEvD's theory of change

What IEvD does	What EBRD gains	What EBRD clients gain	Contribution to achieving SCF2025 priorities and transition impact
1 IEvD Work Programme <ul style="list-style-type: none"> 3-year rolling WP Evaluation products Evaluation knowledge products Evaluation-based information notes 	1 Quality findings (IEvD priority 1) <ul style="list-style-type: none"> Relevant, timely, balanced evaluation product mix Reliable information to support EBRD engagement 	Use value <ul style="list-style-type: none"> Stronger evaluation culture geared towards continuous improvement Enhanced effectiveness of Board and Management engagement 	<ul style="list-style-type: none"> Enhanced Transition Impact (narrowing transition gaps across EBRD region) SCF 2021–2025: Achieving key priorities by 2025 (i.e. response to crises, green, inclusion, digital, learning and results)
2 Share knowledge <ul style="list-style-type: none"> Build engagement Webinars and events Partnerships Peer-to-peer support 	2 Effective learning loop (IEvD priority 2) <ul style="list-style-type: none"> Constructive engagement between evaluation and stakeholders Enhanced access to evaluation knowledge (e.g. improved formats, video, webinars, events) 	<ul style="list-style-type: none"> Partnerships Knowledge repository and exchange Strengthening evaluation as a public good 	
3 Set standards <ul style="list-style-type: none"> Oversee evaluation policy Good practice standards Advice on evaluability and results measurement 	3 Strengthened enabling environment for evaluation (IEvD priority 3) <ul style="list-style-type: none"> Strengthened enabling environment for evaluation Evaluation policy, interaction with self-evaluation, guidance on results measurement 	Existence value <ul style="list-style-type: none"> Trust in quality of evaluations strengthens accountability and scrutiny of EBRB policies and programs 	<ul style="list-style-type: none"> Better resource allocation Higher Value for Money
4 Innovate / upskill <ul style="list-style-type: none"> Training Experimentation Capacity building 			

Update on results¹

Theory of Change	#	Indicator	2023 Value
Work Programme and evaluation products	1.1	% of evaluation products delivered against Work Programme plan	64% (2022: 36%)
	1.2	# of evaluation products delivered against Work Programme plan – by category, including validations	Corporate evaluations: 100% Thematic: 67% Sector/programme: 100% Country Evaluation: 100% Cluster: 0% Project Evaluation: 67% OPAVs 50%

¹ IEvD's Results Framework was fully measured for the first time in 2023, so the figures above can be considered the baseline. When relevant, a comparison is provided with values from past years' partial measurement of results as well.

Theory of Change	#	Indicator	2023 Value
	1.3	# of knowledge products produced by IEvD	6 (2022: 3)
	1.4	# of briefings (information notes) and ad hoc re-quests produced/ addressed by IEvD	5
Share knowledge and building engagement	1.5	# of events/ webinars organised by IEvD for internal audiences on evaluation results	13 (2022: total number of events 19 against 41 in 2023)
	1.6	# of events not organised by IEvD where IEvD presented for non-EBRD audiences	13 (2022: total number of events 19 against 41 in 2023)
Set standards	1.7	# of meetings/ presentations organised by IEvD for EBRD teams on evaluation function, incl. ROs	15 (2022: total number of events 19 against 41 in 2023)
Innovation, upskilling and methodologies	1.8	# of internal knowledge sharing sessions organised within IEvD for IEvD staff	11
	1.9	% of IEvD staff attending capacity building courses, training, conferences, or secondments	100%
Quality findings (IEvD priority 1)	2.1	Perception of relevance of evaluation products % of very good and good answers to the survey question: Thinking of all the EvD products you have engaged with in the past 12 months, how satisfied were you with the following aspects: Relevance to your work	Board Members: 90% Management: 55% Staff: 42.1%
	2.2	Perception of quality of evaluation products % of very good and good answers to survey question: Thinking of all the EvD products you have engaged with in the past 12 months, how satisfied were you with the following aspects: Quality	Board Members: 90% Management: 70% Staff: 48.3%
	2.3	Perception of timeliness of evaluation products % of very good and good answers to survey question: Thinking of all the EvD products you have engaged with in the past 12 months, how satisfied were you with the following aspects: Timeliness	Board Members: 85% Management: 65%
	2.4	# of references to IEvD and IEvD reports within Board documents (approved, endorsed, or shared)	578
Effective learning loop (IEvD priority 2)	2.5	# of attendees at IEvD knowledge / dissemination events	532 ²
Strengthened enabling environment for evaluation (IEvD priority 3)	2.7	Perception of IEvD behavioural independence % of 'To large extent' and 'To some extent' answers to survey question: In your opinion, to what extent are EvD reports independent of undue influence?	Board Members: 85% Management: 85% (2022: question was about the trend in the past 2 years: Board: 46.2% improved, 38.5% did not change. For Management: 86.7% did not change, 13.3% don't know)
Stronger evaluation culture geared towards continued improvement	3.1	Perception that evaluation products contribute to the improvement of EBRD's performance % of "To large extent" and "To some extent" answers to survey question: In your opinion, to what extent do evaluation findings, lessons and recommendations contribute to the improvement of EBRD's performance?	Board Members: 80% Management: 75% Staff: 61.2%

2 Note this is an estimate this year, and only includes events joined by EBRD staff (non-IEvD) and aggregates planned and/or actual attendance.

Theory of Change	#	Indicator	2023 Value
	3.2	<p>Perception of evaluations contributing to improving EBRD operations and strategies</p> <p>% of 'To large extent' and 'To some extent' answers to survey question:</p> <p>In your opinion, to what extent do evaluation findings, lessons and recommendations contribute to the improvement of EBRD's "operations and strategies"?</p>	<p>Board Members: 80%</p> <p>Management: 75%</p> <p>Staff: 61.2%</p>
	3.3	<p>Use of evaluation products to inform work.</p> <p>% of 'Yes' answers to survey question:</p> <p>In the past 12 months, have you personally used evaluation products to inform your work?</p>	<p>Board Members: 90%</p> <p>Management: 50%</p> <p>Staff: 43%</p>
Partnerships Knowledge repository and exchange Strengthening evaluation as a public good	3.5	# of partners with which IEvD worked (i.e. other MDBs, evaluation societies, think-tanks, etc.)	11
	3.6	<p>Perception rating of independent evaluation contributing to learning in EBRD</p> <p>% of "To large extent" and "To some extent" answers to survey question:</p> <p>In your opinion, to what extent does independent evaluation contribute to learning in EBRD?</p>	<p>Board Members: 85%</p> <p>Management: 80%</p> <p>Staff: 66.5%</p> <p>(The question in 2022 was about the trend in the past two years. Board Members: Improved 84.6%, Don't know 15.4%. Management: Declined 6.7%, Don't know 13.3%, Improved 46.7%. Staff: Declined 8.7%, Did not change 15.3%, Improved 28.7%, Don't know 47.3%)</p>
Trust in quality of evaluations strengthens accountability of EBRD policies and programmes	3.7	<p>Perception rating of independent evaluation contributing to accountability in EBRD</p> <p>% of 'To large extent' and 'To some extent' answers to survey question:</p> <p>In your opinion, to what extent does independent evaluation function contribute to accountability in EBRD?</p>	Board Members: 95%

Annex 4: Detailed results of IEvD's EBRD-wide perception survey

In early 2024, IEvD rolled out its perception survey to collect opinions from the Board, IEvD's primary client, Senior Management and all other EBRD staff at London HQ and in ROs. The key highlights of the survey results are discussed in chapter 4. This annex delves further into the details of the respondents' answers.

General information

The online survey was launched with a three-week window from 11 to 31 January 2024.

482 staff, including Senior Management and Board members, responded. This constitutes about 11.5 per cent of all EBRD staff and Board members at HQ and ROs (Table A1).

Table A1: Number of respondents and response rates by groups

Position	Number of Respondents	Response Rate by type of respondent
Board (Board Director/Alternate Director/Advisor)	20	16.0%
Management (President/VPs/Managing Directors)	20	45.5%
Staff (any other position)	442	11.0%
Grand Total	482	11.5%

For the second consecutive year, engagement was highest among Senior Management, among whom 45.5 per cent responded, followed by the Board at 16 per cent. Engagement was lowest among the rest of the EBRD staff at 11 per cent. Compared to the previous year's survey, the overall response rate declined by 1.5 per cent.

Only those familiar with the independent evaluation function were able to proceed beyond the first question.³ This is **282 respondents or 6.7 per cent of all EBRD staff and the Board members**. Respondents who were unable to fill out the full survey comprised staff members other than the Senior Management and the Board. Results for respondents who answered more than the first survey question are presented below.

Table A2: Respondents answering more than the first question by group

Position	Number of Respondents	Per cent of Total
Board (Board Director/ Alternate Director/ Advisor)	20	7.1
Management (President/VPs/Managing Directors)	20	7.1
Staff (any other position)	242	85.8
Grand Total	282	100.0

³ This includes a spectrum of respondents' familiarity with the IEvD, including "to little extent", "to some extent", and "to large extent".

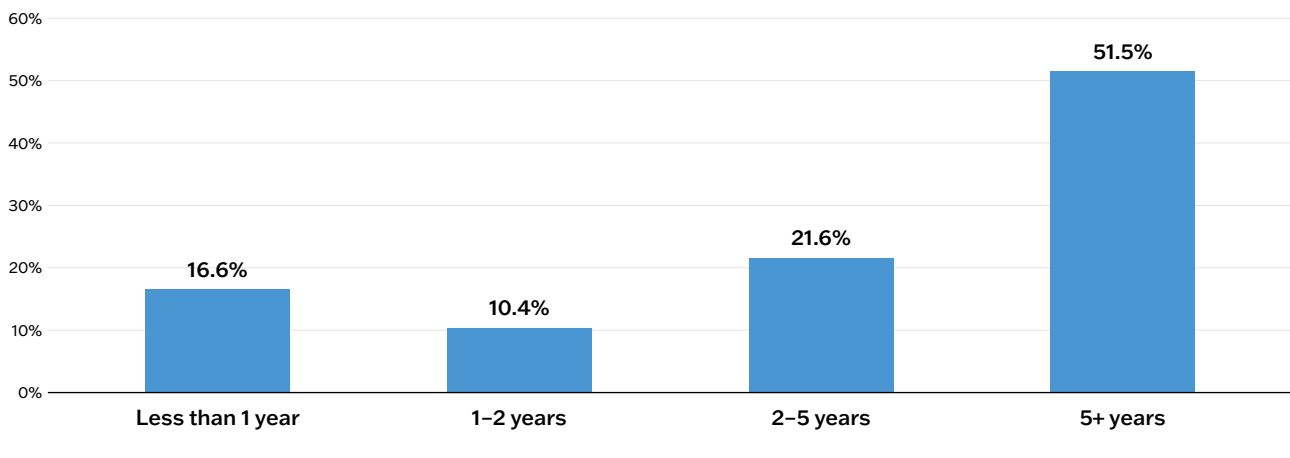
Looking at engagement by location for all respondents, the results show that for the second consecutive year, engagement is higher among those based at EBRD HQ in London (Table A3).

Table A3: Breakdown of respondents by location

Location	Vote Count	Per cent of Total
London HQ	286	59.3
ROs	196	40.7
Grand Total	482	100.0

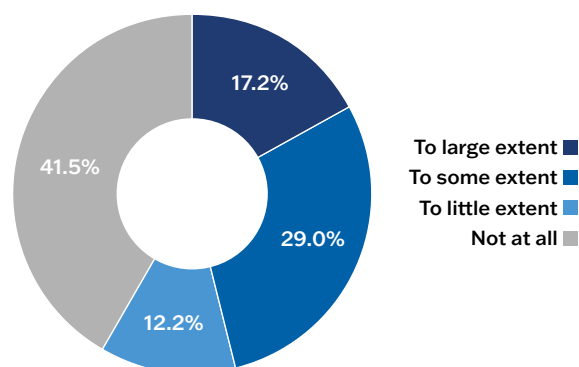
More than half of all survey respondents, or 51.5 per cent, have been working at the EBRD for five years or more. The second category of employees with the most responses has been employed in the Bank for 2–5 years (Figure A1).

Figure A1: Per cent survey respondents by length of employment in the EBRD



How familiar are EBRD staff and Board members with the independent evaluation function and IEvD?

Figure A2: Survey respondents' degree of familiarity with the independent evaluation function of the EBRD



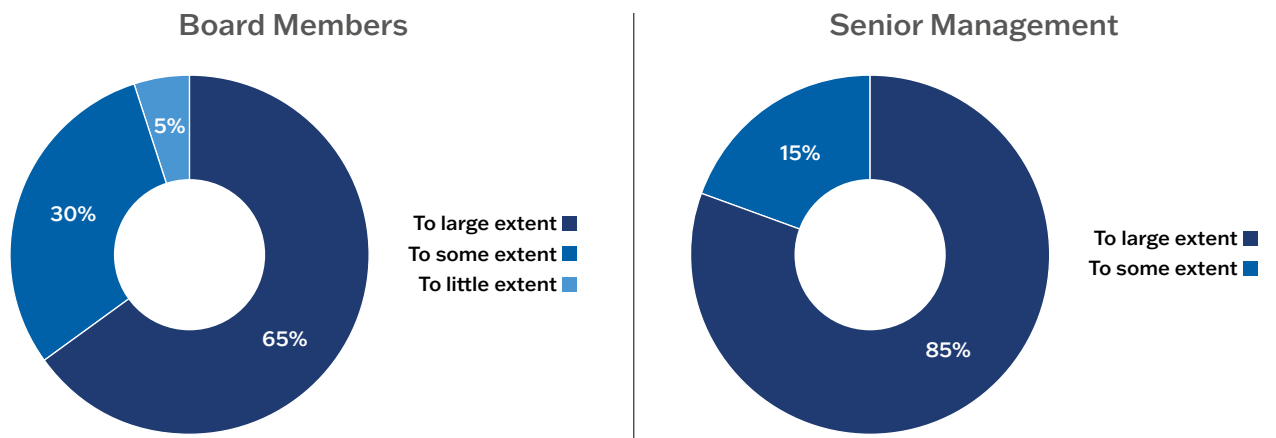
There are still many respondents who are unfamiliar with EBRD's independent evaluation function.

Of 482 respondents, 200 or 41.5 per cent record having no familiarity with the independent evaluation function of EBRD and were then excluded from the survey. This represents an increase of 8.7 per cent compared to the 2023 survey results. Of all respondents, 282 (58.5 per cent) were familiar enough with the IEvD to respond to a full survey (Figure A2).

Board members and Senior Management are still more familiar with the IEvD than the rest of the staff.

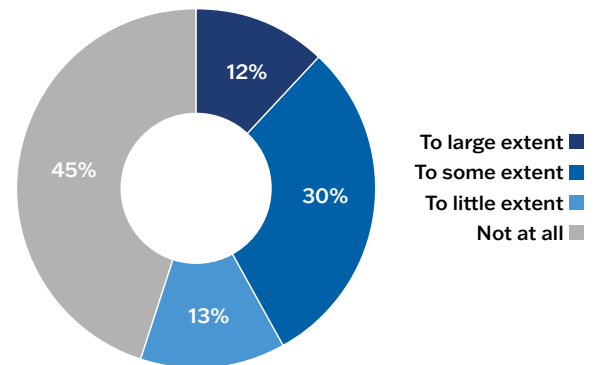
Looking at the results within each respondent group, compared to the previous year’s survey this year saw no respondent within the Board or Senior Management report having no familiarity with the IEvD. Furthermore, 85 per cent of Senior Management and 65 per cent of Board respondents claim to be familiar with the independent evaluation function of EBRD to a large extent. An additional 30 per cent within the Board and 15 per cent within the Senior Management are familiar to some extent with the IEvD (Figure A3).

Figure A3: Familiarity with the IEvD among the Board members and Senior Management



Among the remaining staff, 41.6 per cent are familiar with the IEvD to a large or some extent, while a further 13.1 per cent is familiar with the independent evaluation function to a little extent. Nearly half of the staff respondents (45.2 per cent) are not familiar at all with the IEvD (Figure A4).

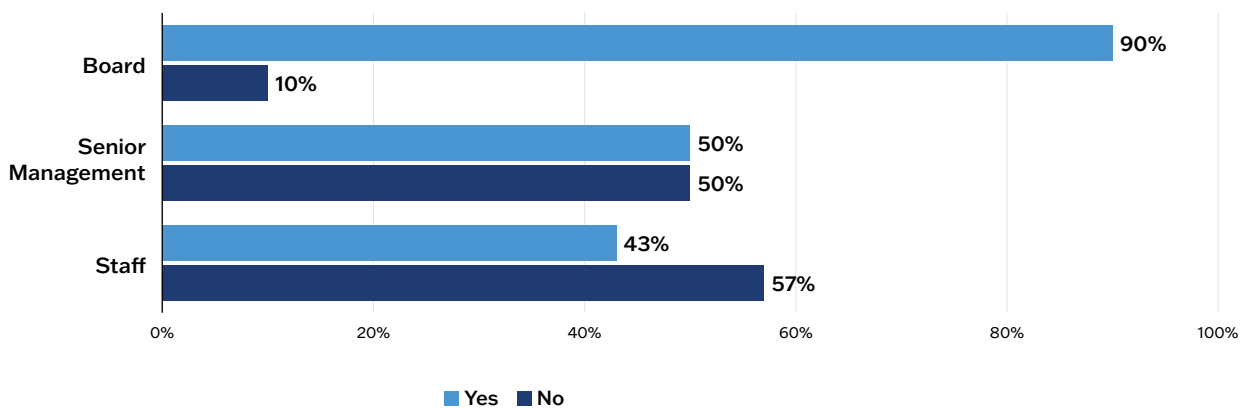
Figure A4: Familiarity with the IEvD among EBRD staff other than senior management and the Board members



Board members and Senior Management have used evaluation products to inform their work in the past 12 months in larger proportion compared to the remaining staff.

According to this year's survey, 90 per cent of Board respondents have personally used evaluation products to inform their work in the past 12 months. The same is true for 50 per cent of the Senior Management. In addition, 43 per cent of respondents among the remaining staff has reported using the IEvD's products for this purpose over the past 12 months (Figure A5).

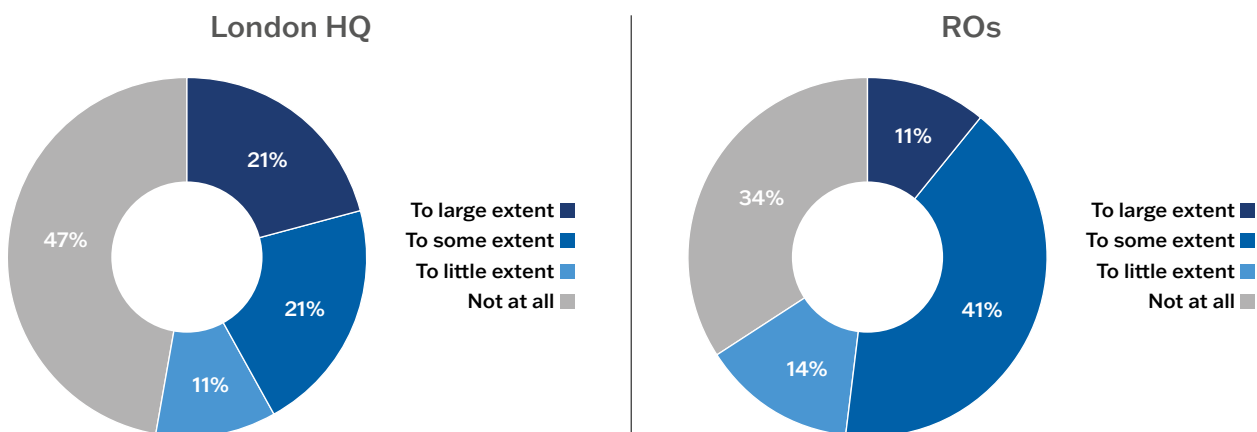
Figure A5: Use of evaluation products per each respondent's category



Similar to the previous year's results, familiarity with the IEvD remains higher in ROs than at London HQ.

The difference in familiarity with EBRD's independent evaluation function between HQ and ROs has somewhat increased compared to the 2023 survey. While 42 per cent of London HQ respondents are familiar with the IEvD to a large or some extent, the same is true for 52 per cent of respondents in ROs. Compared to the previous year, the share of London HQ respondents not familiar with the IEvD increased by around 10 per cent. Overall, 47 per cent of London HQ respondents and 34 per cent of respondents residing in ROs are not familiar with the IEvD (Figure A6).

Figure A6: Familiarity with IEvD at HQ compared to ROs

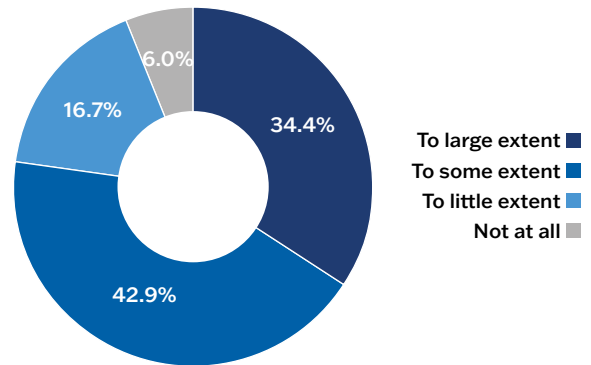


How do the EBRD staff and Board members perceive the independence of IEvD’s reports produced in 2023?

The majority of survey respondents considers IEvD reports produced in 2023 to be independent of undue influence to a large or some extent.

Of 282 respondents, including the Board, Senior Management, and the remaining staff, 77.3 per cent thinks that the IEvD reports produced in 2023 are independent to a large or some extent. A further 16.7 per cent consider them independent of undue influence to a little extent, while 6 per cent do not consider the IEvD reports to be independent at all (Figure A7).⁴

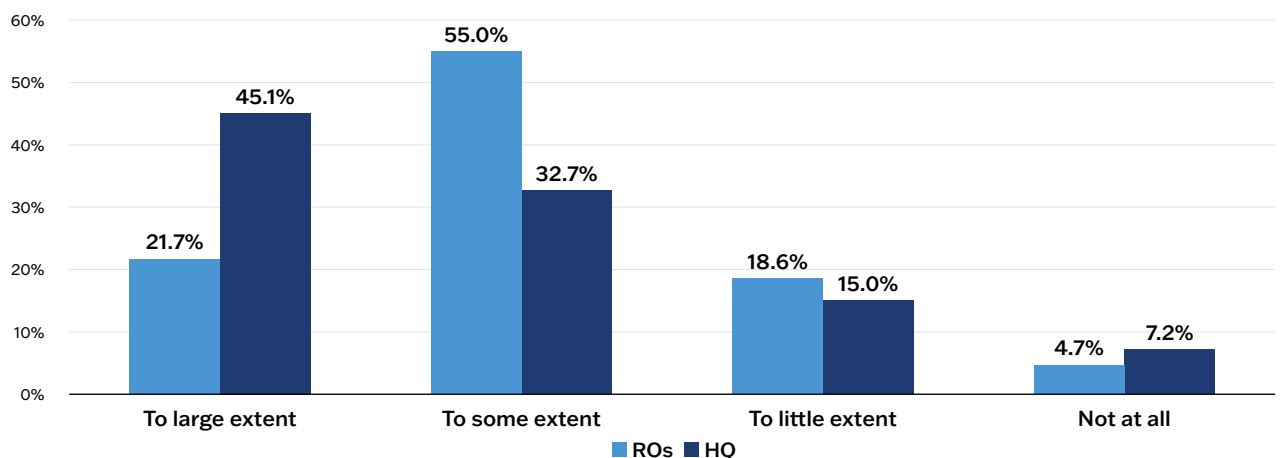
Figure A7: Survey respondents’ perception of independence of the IEvD reports produced in 2023



On a more granular level, 75 per cent of the Board and 80 per cent of Senior Management consider IEvD’s independence in 2023 to be large. On the other hand, only around a quarter (27.3 per cent) of the remaining staff rates the independence of IEvD 2023 reports as large. Still, the largest share of staff respondents (48.8 per cent) considers that IEvD has been independent to some extent.

While responses do not significantly diverge with length of respondents’ employment in the Bank, some differences in perception of independence are evident depending on respondents’ residence. Most respondents based in ROs (55 per cent) perceive IEvD’s 2023 reports to be independent to some extent, while the largest share of respondents residing in London (45.1 per cent) consider IEvD’s independence as large. Compared to HQ respondents, respondents in ROs have been less likely to select extreme positive or negative responses (Figure A8).

Figure A8: Comparison of HQ and ROs perceptions of independence of IEvD’s 2023 reports



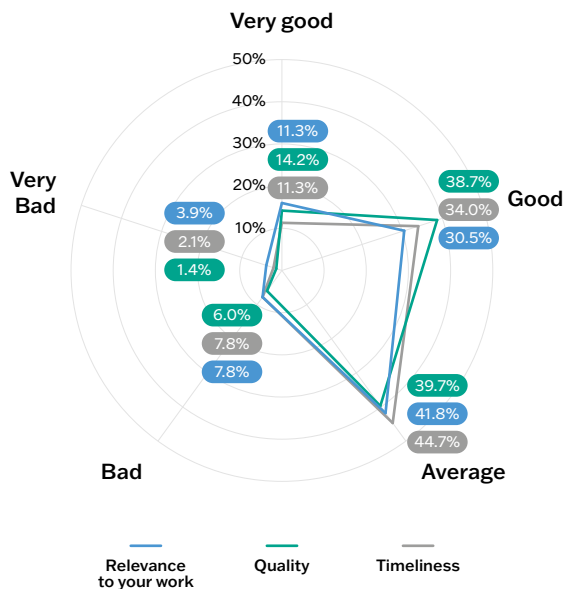
⁴ Respondents were asked, “In your opinion, to what extent were IEvD reports produced in 2023 independent of undue influence?”

How have the relevance, quality, and timeliness of IEvD products been perceived in the past 12 months?

The respondents who claimed familiarity with the independent evaluation function of the EBRD to a little, some or to a large extent, were subsequently asked to rate the following attributes of the IEvD products with which they have engaged in the past 12 months⁵:

1. **Relevance** to EBRD work (addresses important topics for EBRD);
2. **Quality** of methodology (uses rigorous methodology) and writing (reader friendliness);
3. **Timeliness** (findings are on time to inform decision making).

Figure A9: Board, Senior Management, and remaining staff perception of relevance, quality, and timeliness of IEvD products in the last 12 months



The majority of respondents consider the relevance, quality, and timeliness of IEvD products to be very good or good.

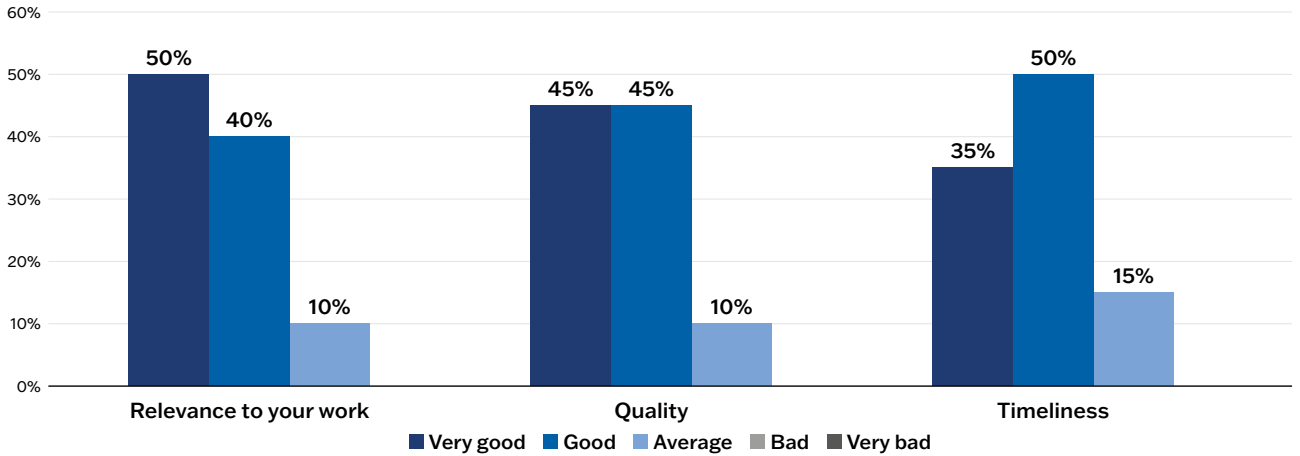
The largest share of respondents (52.8 per cent) found that the quality of the IEvD products has been very good or good, followed by relevance (46.5 per cent), and timeliness (45.4 per cent). Furthermore, the majority of the remaining respondents (44.7, 41.8, and 39.7 per cent, respectively) consider the timeliness, relevance, and quality of IEvD products to be average (Figure A9).

More than three-quarters of Board respondents find the relevance, quality, and timeliness of IEvD products to be very good or good.

Looking at each respondent group, a very high percentage of Board members (90 per cent) found that the relevance and quality of the IEvD work have been very good or good over the past 12 months. The majority of Board respondents (85 per cent) also perceive the timeliness of the IEvD products to be very good or good during the same period. No Board member has reported that IEvD products have been bad or very bad (Figure A10).

⁵ Respondents were asked, "Thinking of all the IEvD products you have engaged with in the past 12 months, how would you qualify the following attributes of our work?"

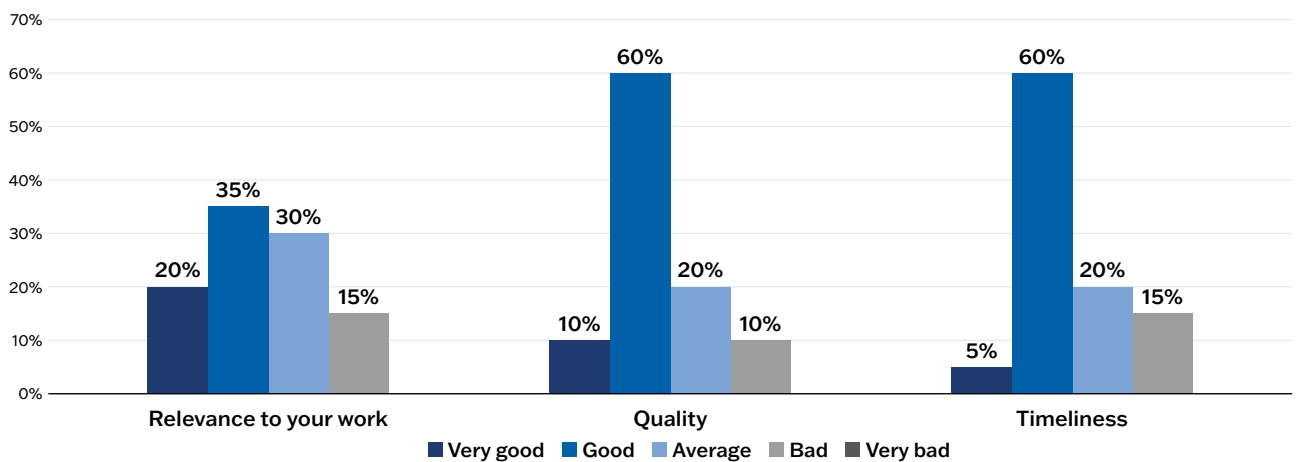
Figure A10: Board members' perception of relevance, quality, and timeliness of IEvD products in the last 12 months



More than half of the Senior Management considers the relevance, quality, and timeliness of IEvD products to be very good or good.

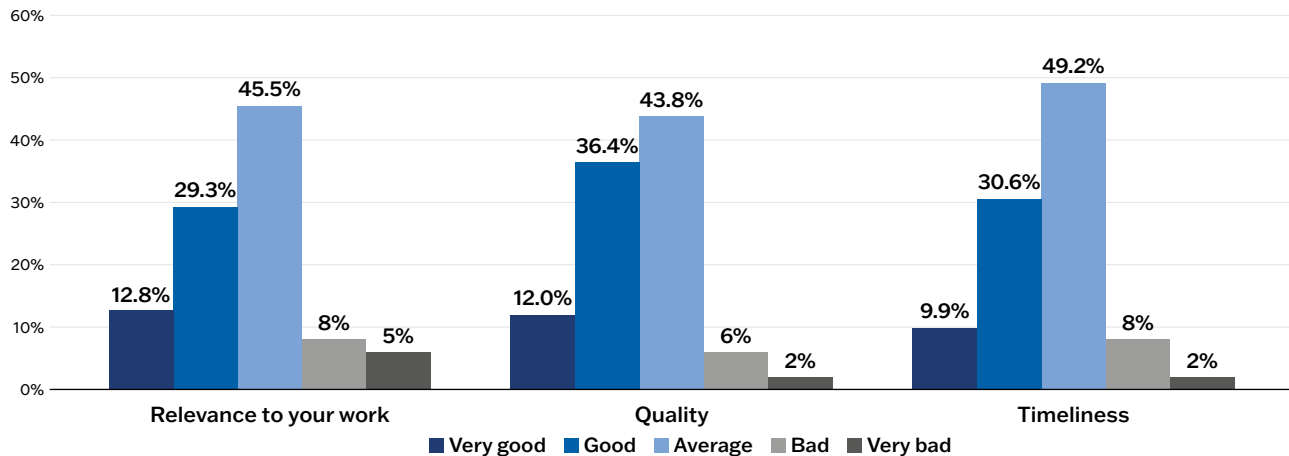
Namely, 55 per cent, 70 per cent, and 65 per cent of Senior Management respondents rated the relevance, quality, and timeliness respectively of IEvD products as very good or good. No Senior Management respondents considers these attributes of IEvD work to be very bad (Figure A11).

Figure A11: Senior Management's perception of relevance, quality, and timeliness of IEvD products in the last 12 months



Among the remaining staff, the perception of IEvD's products' attributes is more diverse compared to the Board and Senior Management. Close to a half of staff respondents find the relevance, quality, and timeliness of IEvD products to be very good or good (42.1, 48.3, and 40.5 per cent, respectively). Furthermore, a significant share of the remaining respondents considers these attributes of the IEvD work to be average (Figure A12).

Figure A12: Other staff perception of relevance, quality, and timeliness of the IEvD products in the last 12 months



To what did the independent evaluations produced in 2023 contribute?

As part of the survey, Board members were asked to rate the contribution of the 2023 independent evaluations to the following dimensions:

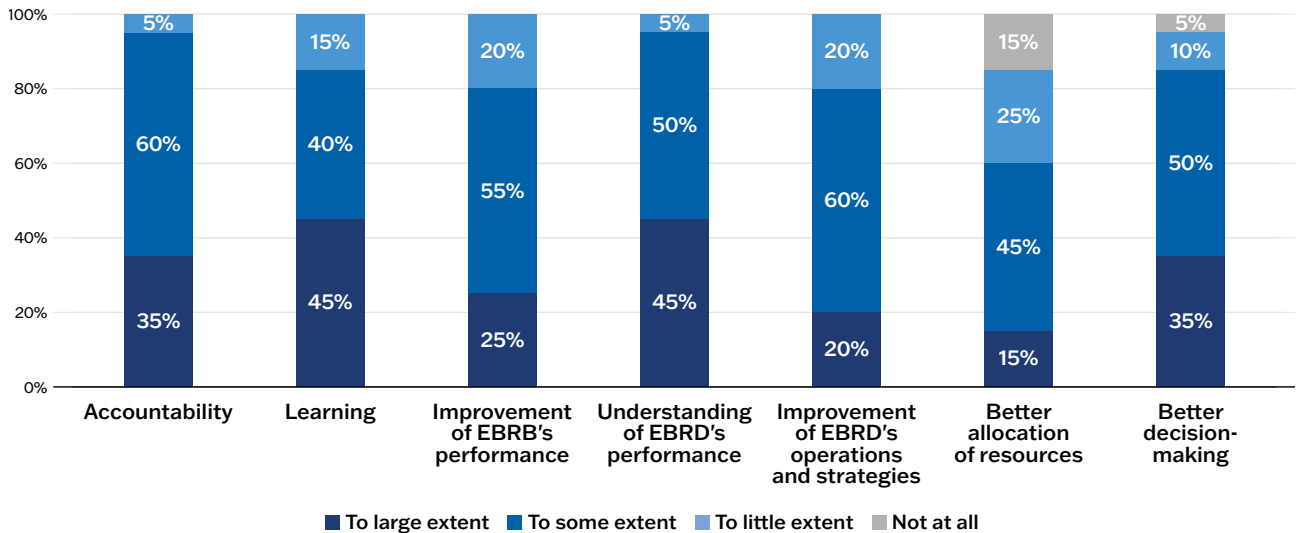
1. Accountability
2. Learning
3. Improvement of EBRD's performance
4. Understanding of EBRD's performance
5. Improvement of EBRD's operations and strategies
6. Better allocation of resources
7. Better decision-making

The majority of Board respondents think that the IEvD contributed to a large or to some extent to each of these dimensions in 2023.

At least 80 per cent of Board members considers that independent evaluations produced in 2023 have contributed to a large or to some extent to "Accountability", "Learning", "Improvement of EBRD's performance", "Understanding of EBRD's performance", "Improvement of EBRD's operations and strategies", and the "Better decision-making". Remarkably, according to 45 per cent of the Board respondents, the IEvD has contributed to a large extent to the "Understanding of EBRD's performance" and "Learning". The only dimensions where some Board respondents do not perceive

any contribution from the 2023 independent evaluations concern the allocation of resources and decision-making at 15 per cent and 5 per cent, respectively (Figure A13).

Figure A13: Board member’s perception of the contributions of independent evaluations in 2023



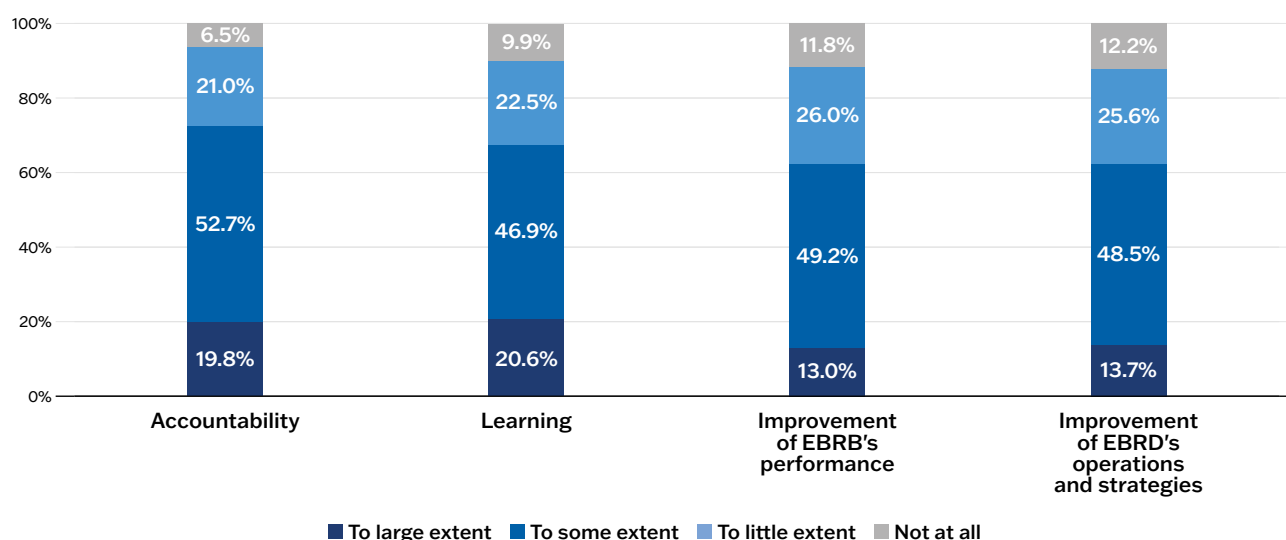
In comparison with the Board members, staff and Senior Management perceptions of IEvD's contributions vary more.

The EBRD staff, including Senior Management, has been asked to rate the contribution of independent evaluations produced in 2023 according to the following four dimensions:

1. Accountability
2. Learning
3. Improvement of EBRD's performance
4. Improvement of EBRD's operations and strategies

The responses of 72.5 per cent and 67.6 per cent of the staff, including Senior Management, indicate that independent evaluations contributed to large or some extent to “Accountability” and “Learning”, respectively. Furthermore, 62.2 per cent of respondents considers that independent evaluations led to improvements in the Bank’s performance and operations and strategies to a large or to some extent. Unlike the Board members’ ratings, slightly more than one-fifth of total staff and Senior Management respondents considers that the IEvD has contributed little across these dimensions (Figure A14).

Figure A14: Staff and senior management's perception of the 2023 independent evaluations' contributions

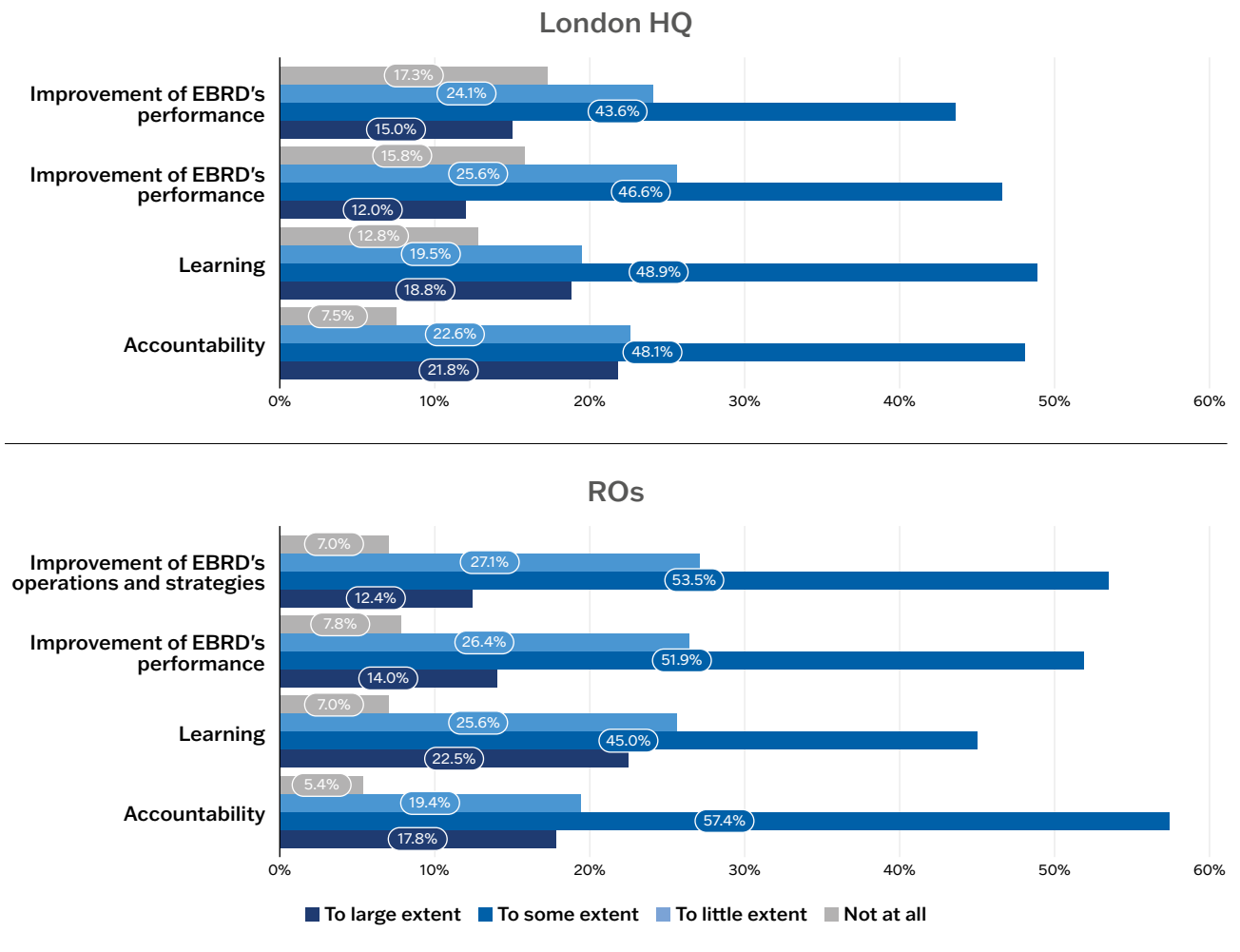


Singling out responses from the Senior Management, it is evident that 85 and 80 per cent respectively consider that independent evaluations have contributed to a large or to some extent to “Accountability” and “Learning” dimensions. When it comes to improvements of EBRD’s performance and its operations and strategies, 75 per cent of Senior Management thinks that the independent evaluations contributed to these dimensions to a large or to some extent. Most of the remaining Senior Management respondents find the independent evaluations’ contributions to these four dimensions to be little rather than non-existent (15 per cent for “Accountability”, 10 per cent for the remaining three dimensions).

Staff based in the ROs, including Senior Management, perceives the contributions of IEvD evaluations produced in 2023 as larger across each of the four dimensions, compared to respondents based in the London HQ.

Overall staff responses, including those of the Senior Management, appear to vary with location. Of 133 respondents based in London HQ, 69.9 per cent and 67.7 per cent perceive the IEvD’s contributions to accountability and learning as large or to some extent. Furthermore, 58.6 per cent of respondents in HQ believes that independent evaluations contributed to some or to a large extent to improvements in EBRD’s performance and in its operations and strategies. On the other hand, of 129 respondents based in ROs, 65.9 per cent considers the IEvD’s contributions to improving EBRD’s operations and strategies and performance to be large or to some extent. Furthermore, 75.2 per cent and 67.4 per cent of respondents based in ROs consider the IEvD contributed to accountability and learning to be large or to some extent. Interestingly, while an average of 6.8 per cent of staff respondents in ROs considers the IEvD’s contributions to these four dimensions to be non-existent, the same is true for an average of 13.3 per cent of respondents based in the London HQ (Figure A15).

Figure A15: Staff and Senior Management perception of the 2023 independent evaluations' contributions by office location



How do the EBRD Staff and Board members describe the IEvD?

This year, all 282 survey respondents, including the Board members, Senior Management, and the remaining staff, were asked to describe the IEvD in one word. The most frequently selected word makes reference to its independence (i.e., 21 responses). Subsequently, most respondents chose words that describe the IEvD as useful (16 responses), good (12), important (9), necessary (7), and an accountability mechanism (5). In addition to very positive descriptions of the IEvD, some respondents have selected words such as “invisible” (4 responses), “unnecessary” (4), “detached” (4) and “outdated” (2) (Figure A16).

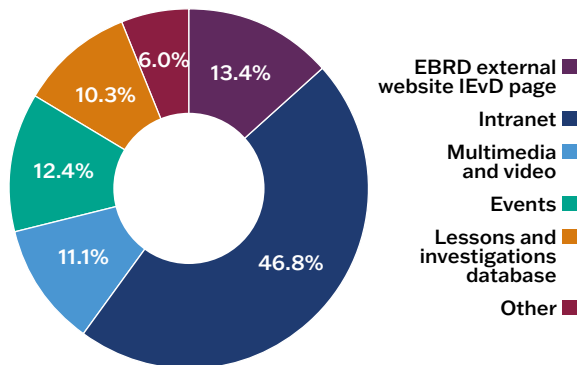
Figure A16: Tag cloud of words selected by the survey respondents to describe IEvD



The word range used by the Board members and Senior Management respondents is narrower compared to the range used by the remaining staff. So, for instance, Board respondents mainly describe the IEvD as “valuable” (i.e., 4 of 20 responses), followed by “relevant” and “independent” (2 out of 20 responses per word). When it comes to Senior Management, 6 out of 20 respondents refer to the IEvD’s independence, followed by its necessity (2 responses).

How do EBRD staff and Board members access evaluation knowledge and how satisfactory are IEvD’s outreach and communication activities?

Figure A17: Respondent preferences for platforms to access evaluation knowledge



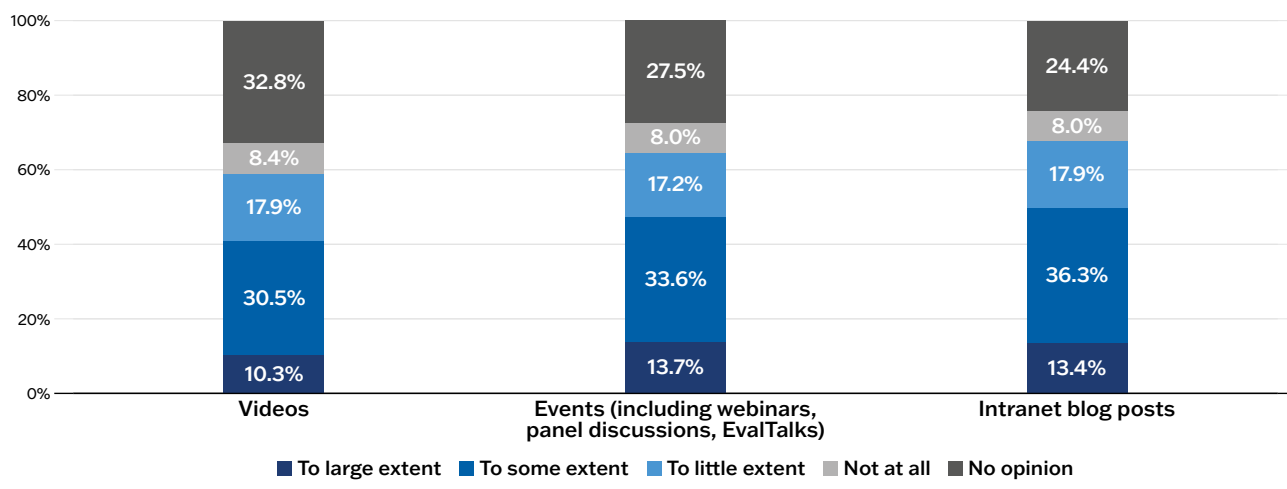
Almost half of all respondents prefers using Intranet to access evaluation knowledge.

Of all survey respondents, 46.8 per cent prefers using Intranet to access evaluation knowledge, which is consistent across all respondent groups and across the locations of their residence. Under the category “Other”, respondents for the most listed emails and direct team outreach (Figure A17).

A large share of staff respondents, including Senior Management, is satisfied to a large or to some extent with IEvD’s videos, events, and Intranet blog posts.

Namely, 40.8 per cent, 47.3 per cent, and 49.6 per cent of overall staff respondents have been satisfied to a large or to some extent with IEvD’s videos, events, and Intranet blog posts respectively over the past 12 months. Still, at least a quarter of staff and Senior Management respondents report having no opinion of the IEvD’s outreach and communication activities (Figure A18).

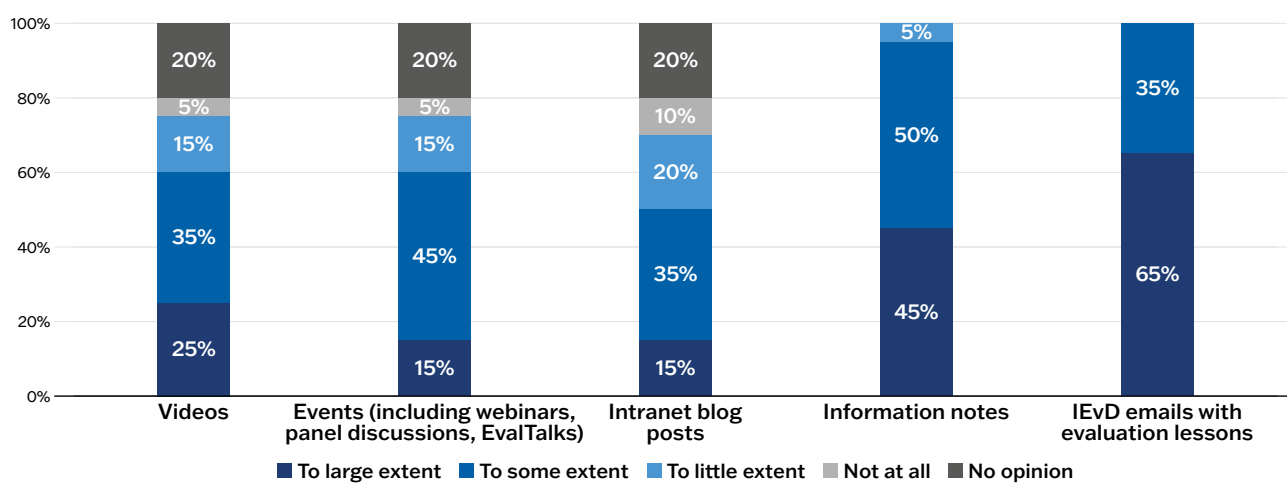
Figure A18: Staff and senior management satisfaction with IEvD’s outreach and communication activities in 2023



Concerning the Board, at least half of respondents is satisfied to a large or to some extent with each of IEvD’s outreach and communication activities.

Namely, 60 per cent of Board members reports satisfaction to a large or to some extent with IEvD’s videos and events. Furthermore, 50 per cent has been satisfied to some or to a large extent with its Intranet blog posts. The most satisfactory outreach and communication activities for Board members include IEvD’s information notes (95 per cent satisfied to a large or to some extent) and IEvD emails with evaluation lessons (100 per cent satisfied to a large or to some extent). Information notes and IEvD emails with evaluation lessons have elicited no reports of dissatisfaction from Board members (Figure A19).

Figure A19: Board members satisfaction with the IEvD’s outreach and communication activities in 2023



Annex 5: Overview of the IEvD Work Programme 2024–26

In 2024, IEvD will be implementing **Phase 3 of its Strategic Plan**, the “consolidation” phase. During this phase, IEvD will continue to deliver useful, valued, and used evaluations and focus on two priorities.

- Continued delivery of high-quality, useful, evaluation insights**, with attention to the work programme balance; the pertinence of knowledge products (e.g. Connecting the Dots series); staff expertise; the use of innovative products, approaches, methodologies and technologies but also robust quality insurance processes (protocols and best practices) and constructive engagement with the Board as well as with EBRD Management and operations to ensure that evaluation findings and lessons are used. **IEvD’s Work Programme for 2024 comprises the delivery of 14 evaluation products for 2024** (Tables A4 and A5), to which validations, knowledge products, info-notes, and the Annual Evaluation Review should be added. Besides the delivery for the year, IEvD will also need to kick off the work on key evaluations to be delivered in 2025.

Table A4: IEvD work programme for 2024–26 overview

	2024 (as per ARC approval)	2025 (tentative)	2026 (indicative)
Corporate (1–2 per year)	Evaluation of the Strategic and Capital Framework (SCF) — 2021–25	Self-assessment of the independent evaluation function (prior to external assessment in 2025)	Evaluation of EBRD’s approach to TI — Phase 2
	Evaluability Assessment of the Green TI — Phase 2	EBRD’s support to advanced-transition countries	Initial evaluation of capital increase commitments
Thematic (1–2 per year)	Evaluation of Policy Dialogue Results & Performance	Evaluation of the GET 2.1	Evaluation of EBRD’s alignment with the Paris Agreement
	Evaluation of the EBRD’s MREL transition impact & additionality	Evaluation of the SPGE – (support to gender equality Phase 2)	Evaluation of RLF - Phase 2 (Ukraine and/or conflict affected countries)
	Evaluation of EBRD’s Local Currency Financing	Evaluation of the approach to accelerating the digital transition 2021–25	
Programme / Sector (1–2 per year)	Evaluation of Transport sector operations	Evaluation of the NPL Resolution Framework	Evaluation of the Supply Chain Solutions Framework
	Evaluation of the Small Business Initiative (to be confirmed)		
Country-level (1 per year)	Country-level evaluation of Bank’s operations in Albania	TBD	TBD
Project Clusters (2–3 per year)	Gender	Climate Resilience	Inclusion in Green Finance
	Green Bonds	Support to energy security	Spatial and Regional Inclusion
	Decarbonisation of the built environment		
	Digitalisation (to be confirmed)		
Project	Joint project TBD	Joint project TBD	Joint project TBD
	Project TBD	Project TBD	Project TBD
Knowledge / institutional	AER 2023	AER 2024	AER 2025
	Connecting the Dots (3 to 4)	Connecting the Dots (3 to 4)	Connecting the Dots (3 to 4)
	Validations (TBD)	Validations (TBD)	Validations (TBD)

2. **Boosting the culture of evaluation and learning in EBRD** with effective learning loops through outreach and dissemination activities; enhanced Evaluation Capacity Development for EBRD staff, in close collaboration with Management. The objective is to raise awareness on the key principles stated in the revised EBRD Evaluation Policy and the role and benefit of evaluation in making the Bank more effective, in close collaboration and partnership with other partners in the international arena of evaluation.

Table A5: Evaluations 2024-2025 by institutional priority

Evaluation of the Strategic and Capital Framework 2021–25	Self-assessment of the independent evaluation function (prior to the external assessment in 2025)	Performance and results management
Local currency financing	NPL Resolution Framework	Performance and results management
Policy Dialogue	EBRD's support to advanced countries	
MREL	CLE	
CLE (Albania)		
Evaluability of Green Transition Impact	GET 2.1	Green
Transport sector		
Green Bonds		
Decarbonisation of the built environment		
Digitalisation cluster	EBRD's approach to accelerating the digital transition 2021–25	Digitalisation
Small Business Initiative		
Gender Cluster	Support to gender equality Phase 2	Equality of opportunity
	Climate resilience	Crisis response / Resilience
	Support to energy security	

Annex 6: OPA Validations distributed between January 2023 and December 2023

Nr	OPAV ref	DTM	Project name	Country	Sector	Total Project value (EUR)	EBRD Finance (EUR)	Already covered in the 2022 AER
1	PEX21-06	50286	GEFF - BMCI MorSEFF	Morocco	FI - SEMED	19,991,685.28	19,991,685.28	✓
2	PEX22-13	48164	Dundee Precious Metals Equity (f. Project Sofia)	Bulgaria	Natural Resources	154,781,301.08	37,160,906.73	✓
3	PEX21-35	43125	Komani HPP Dam Safety Upgrade	Albania	Energy Europe	72,260,000	12,700,000	✓
4	PEX21-31	45335	Shuakhevi HPP	Georgia	Energy Eurasia MEA	386,631,363.81	83,473,615.76	✓
5	PEX22-10	46112	Balti District Heating Project	Moldova	Municipal & Environmental Infrastructure	10,740,000.00	7,000,000.00	✓
6	PEX21-15	50576	FIF - Egypt WiB - Tanmeyah	Egypt	FI - SEMED	2,420,898.48	2,420,898.48	✓
7	PEX21-13	47309	FIF - Kazakhstan Women in Business Programme	Kazakhstan	FI - Russia, Central Asia & Caucasus	76,353,433.60	76,353,433.60	✓
8	PEX21-16	49305	DFF - Teraplast 1	Romania	Manufacturing & Services	8,200,000.00	4,000,000.00	✓
		50993	DFF - Teraplast 2	Serbia	Manufacturing & Services	7,500,000.00	4,500,000.00	✓
		50994	DFF - Teraplast 3 (cancelled)	Slovak Rep	Manufacturing & Services	5,400,000.00	0	✓
9	PEX22-02	50756	RF - MFO KMF loan	Kazakhstan	FI - Russia, Central Asia & Caucasus	36,796,835.47	36,796,835.47	✓
10	PEX20-769	45286	VKG Energy Efficiency	Estonia	Natural Resources	227,240,122.00	20,240,122.00	✓
11	PEX22-23	43138	Polish Enterprise Fund VII (F. Enterprise Fund 2012)	Regional	Equity funds	394,333,333.00	80,000,000.00	✓
12	PEX21-14	41381	Crescent Clean Energy Fund	Regional	Energy Eurasia MEA	49,250,000.00	16,250,000.00	
13	PEX21-39	45434	Power sector energy efficiency project	Egypt	Energy Eurasia MEA	755,797,035.9	115,753,272.48	
14	PEX22-03	49256	Dogus Holding Bond (f. TRY Corp - Project Dream)	Türkiye	Property & Tourism	3,137,720.91	3,137,720.91	
15	PEX22-20	52106	RF - Garanti Bank	Türkiye	FI - Türkiye	49,835,886.21	49,835,886.21	
16	PEX21-30	48100	Al Rajef Wind Farm	Jordan	Energy Eurasia MEA	168,738,711.7	63,250,017.33	
17	PEX22-28	48064	PGE - Grid Enhancement for Renewables	Poland	Energy Europe	400,751,002.7	115,823,989.24	
18	PEX22-38	47397	Sainshand Wind	Mongolia	Energy Eurasia MEA	110,645,514.2	28,673,413.57	
19	PEX22-01	49733	Akfen Wind Power Project	Türkiye	Energy Eurasia MEA	316,785,691.1	44,345,490.54	
20	PEX22-33	49641	Khiva Malika hotel	Uzbekistan	Property & Tourism	565,292.00	315,291.66	
21	PEX22-32	48847	DFF - Terra Express Mongolia	Mongolia	Transport	3,738,147.34	3,738,147.34	



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This 2023 Annual Evaluation Review provides a comprehensive overview of all of the work of independent Evaluation Department (IEvD) of the EBRD in the past calendar year.

To find out more about IEvD, please email EvD@ebrd.com. IEvD is always interested in hearing from our partners, audiences, and stakeholders, to understand how to make evaluation more useful and used.

IEvD's studies and products are published on the EBRD website and available at www.ebrd.com/what-we-do/evaluation-reports.html



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