World Bank Group Impact Evaluations: Relevance and Effectiveness

Remarks by Jeff Tanner, Task Team Leader for Impact Evaluations, Independent Evaluation Group
Based on Evaluation Report and Presentation by Javier Baez and IE Team

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Impact Evaluation and its methods

► Long tradition in evaluation defining “impact” as long-term effects of an intervention (OECD-DAC)

► In IE community “impact” denotes causal effects of program on outcomes—whether immediate, intermediate, or final

► Issue: Cannot observe the beneficiary w/o the program Need to account for
  • Selection by participants
  • Selection due to program placement
  • Outside factors

► Solution: Find a ‘proxy’ for the counterfactual
  • Experimental methods use a control group: Randomized Control Trials
  • Quasi-experimental methods use a comparison group: Regression Discontinuity, Instrumental Variables, Difference-in-Differences, Matching; in multivariate regression
Rapid IE Growth at WBG and Beyond

- WBG IE growth mirrors global trends (3iE, MCC, JPAL)
- IDA-16: more IEs, more funding, more strategic selection
- President Jim Kim’s call for results, accountability, evidence

Impact Evaluations at the World Bank Group, by year

Note: IE data for 2010 is partial because the IE database did not include new IEs initiated in the second half of 2010.
Overview of the Report

1. Impact Evaluations at the World Bank Group

2. Key Findings
   - Relevance—alignment with projects, priorities knowledge gaps?
   - Quality—meeting standards?
   - Use and Influence—IEs influencing development policy, practice?

3. Recommendations
Relevance Increasing…

…through broadened coverage of more countries and more topics

<table>
<thead>
<tr>
<th>Category</th>
<th>Number of World Bank IEs</th>
<th>pre 2005</th>
<th>2005-2010</th>
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<tr>
<td>Other</td>
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IEs are Relevant…

…for Operational purposes

% of Completed WBG IEs

Aligned with project development objectives: 98%
Aligned with results framework: 72%
Distribution of impacts: 72%
Cost efficiency: 25%
Impacts of individual components of program's design: 27%
Long term outcomes: 12%

…with opportunities for growth in Relevance for Policy

Core Questions of Operational Relevance

Supplementary Questions of Operational Relevance
Factors that strengthen IE Relevance

► Strategic coordination in IE selection and the integration between IEs and evaluated operations

► Though the World Bank and IFC still have room to improve in these areas, successful IEs have
  o Ample integration with M&E plans
  o Adequate staff incentives and IE capacity. WB has recently
    ▪ Recognized that IEs need a specific skill set
    ▪ Established a separate IE product line in Operations Portal
    ▪ Provided funding and direction for future growth
  o Less fragmented, more flexible sources of funding
Almost all World Bank IEs meet the essential Quality standards

94% of completed WB IEs meet the essential quality standards in terms of data and measurement, design and robustness of findings

...though more variation in the quality of robustness tests and the extent to which IEs check identification assumptions
IE Quality is improved when

➢ The IE was undertaken by staff with necessary technical skills and peer reviewed beyond the originating department
  ○ Sufficient skill base needed to implement, supervise and use IEs
  ○ IEs that do not go through any review are usually of lower quality

➢ At the World Bank:
  ○ Most IEs undergo some review. With some exceptions, no formal and standardized quality controls; Insufficient staff capacity in some units

➢ At IFC:
  ○ Few IEs undergo specialist review. No quality assurance mechanisms; Limited staff capacity to understand and supervise IEs
IEs were **Used** in World Bank operations but much less than generally thought

- **Assessment:** 47% of IEs cited in World Bank ICRs, 20% in PPARs by IEG
  - Planning and early integration often key to use in informing results, future policy

- **Design of follow-on projects:** influenced by 22-33% of the IEs

- **Spillover effects:** Some instances of IEs influencing projects unrelated, but similar, to the ones evaluated (especially CCTs)

The randomized IE of Progresa/Oportunidades showed positive impacts
IEs are more likely to be used if

1. **Engage clients** in all stages of IE production (to ensure greater ownership)

2. **Focus on issues of priority** to future users
   - IE questions that are not aligned with the project results framework are found to be used less often – Improving in recent years through closer linkages between IEs and the operations they evaluate

3. **Release findings in time for key decisions**

4. **Are disseminated to clients & in language understood by users**
   - There is now greater emphasis on dissemination at the World Bank. For instance, dedicated SIEF funding for results dissemination

5. **Are also used to build local capacity**
   - Programmatic model, DIME and SIEF workshops improving this
Report Recommendations

1. Apply consistently mechanisms for **strategic identification and prioritization of IEs** at the World Bank and IFC to balance learning and results measurement objectives.

2. **Coordinate fragmented external funding** with core funds at the World Bank and IFC to strategically finance the production of IEs.

3. **Improve the integration of IEs in the design and review of projects** at the World Bank and IFC to sharpen the focus of project operations on results.
4. **Adopting and consistently applying good practice standards**, including peer review and availability of data for replication, in the conduct of IEs at the World Bank and IFC

5. **Incorporating analytical elements**, such as analysis of heterogeneous program impacts and cost-benefit analysis, in the design of all World Bank and IFC IEs
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THANK YOU
Methodology

Triangulating inputs from different sources, including:

- Review of IE reports of completed World Bank and IFC IEs (140 World Bank and 26 IFC IEs)
- Review of project documents of 117 completed IEs and a random sample of 46 ongoing IEs of World Bank lending or IFC advisory service projects
- Review of institutional strategies, including all World Bank sector strategies and a random sample of CAS since 2000
- Electronic surveys of 226 evaluators and 92 task leaders of evaluated projects
- 12 field-based case studies in five countries and 7 desk-based case studies
- Interviews with randomly selected WBG senior managers and staff
Finding 3 on Relevance: IEs are relevant to knowledge priorities

- World Bank IEs have encouraged global learning in development.
  - According to surveys, three-quarters of World Bank IEs have contributed to the global knowledge of “what works.”
  - Analysis based on the 59 priority knowledge questions gathered from researchers and development practitioners suggests the same.

- Alignment of World Bank IEs with global knowledge priorities is stronger for recent IEs.

- IEs of IFC projects are conducted primarily to supplement self-assessment of projects and are not selected deliberately to close global knowledge gaps.