

Designing a Consistent Evaluation System from Ex-Ante to Ex-Post

JBIC began ex-post evaluations in FY1975 and has undertaken ex-post evaluations for all projects since FY2001. Moreover, JBIC decided to publish the ex-ante evaluation reports for all projects starting in FY2001, and has established a consistent evaluation system from ex-ante to ex-post evaluation using the same quantitative indicator.

To further enhance the evaluation system, in FY2004 JBIC undertook, on a trial basis, mid-term reviews, which focus on relevance and effectiveness of projects, and ex-post monitoring, which assesses projects' effectiveness, impacts, sustainability, etc.

Type of Evaluation	Timing	Target Projects	Reference Page
Ex-Ante Evaluation	Prior to loan agreement	All projects	p. 84
Mid-Term Review	5th year after loan agreement	7 projects in FY2004	p. 85
Ex-Post Evaluation	2nd year after project completion	All projects	p. 24
Ex-Post Monitoring	7th year after project completion	4 projects in FY2004	p. 86

System and Mechanisms for Ex-Post Evaluation (Project Evaluation) (All projects undergo ex-post evaluation two years after completion.)

1 Based on International Evaluation Criteria

In evaluation procedure, JBIC uses the five evaluation criteria of the Organization for Economic Cooperation and Development's Development Assistance Committee (OECD-DAC), which are international evaluation criteria. Projects are assessed from the standpoints of whether they are consistent with the policy of the developing country (relevance), how short the time and how low the cost required to complete them was (efficiency), whether the effects are being realized as planned (effectiveness and impacts), and whether the effects will continue in the future (sustainability).

The Five DAC Evaluation Criteria

Item	Content
Relevance	Examine the relevance of project objectives and plans both at appraisal and at present taking into consideration changes in background factors and preconditions.
Efficiency	Compare the plans for output, term, and costs with the outcome and analyze the efficiency of project implementation.
Effectiveness	Compare planned and actual figures using operational and effect indicators and internal rates of return (IRR) to examine to what extent project objectives have been attained.
Impacts	Examine the direct and indirect effects of the project set as an overall goal from macroeconomic, social, and environmental perspectives.
Sustainability	Examine the medium and long-term sustainability of project effects, and consider what countermeasures are required to resolve any problems that may exist.

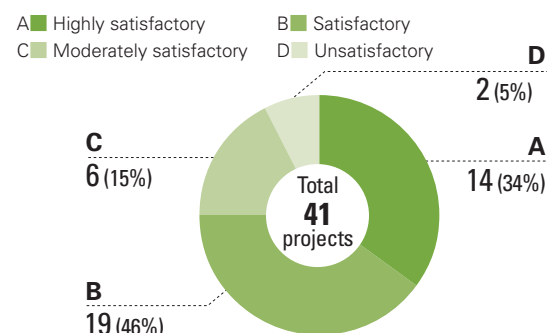
2 Undertaken Entirely by External Evaluators (see p. 27)

External evaluators, who are experts in development projects or evaluation, are chosen through competition by public announcement, confer with the government of the developing country and the executing agency, collect information from beneficiaries, and conduct project inspection, etc. After conferring with JBIC, the external evaluators conduct the final evaluation and rating. In the event of a difference of opinion between the external evaluator and JBIC, the opinions of both are printed.

3 Ratings Based on Evaluation Results (see p. 25)

From the project evaluations in FY2004, four levels of ratings have been assigned to projects, A (highly satisfactory), B (satisfactory), C (moderately satisfactory), and D (unsatisfactory).

Results in FY2005



4 Inclusion of Opinions of Experts from Developing Countries (see p. 28)

To increase the objectivity of the evaluations, JBIC obtains a third-party evaluator's opinion on all project evaluations by requesting verification of evaluation results from an expert from the developing country.

5 Sharing Evaluation Results with Developing Countries (Improvement of projects and policies through lessons learned) (see p. 73)

By sharing all evaluation results, lessons learned, and recommendations with developing countries, JBIC endeavors to improve development projects and policies. Furthermore, evaluation activities are conducted in cooperation with the Japanese government such as the Ministry of Foreign Affairs, and with Japan International Cooperation Agency (JICA), and the results are shared with them as well.

6 Discussion by the Feedback Committee (see p. 87)

Since FY2002, meetings have been held by the Ex-post Evaluation of ODA Loan Project Feedback Committee, which includes external experts. Efforts are made to reflect the matters discussed by the committee in the ODA loan evaluations and to enhance the evaluations and feedback.

7 All Evaluation Results are Published

To fulfill our responsibility to be accountable to the people, JBIC publishes the evaluation results, ratings, and third-party evaluator's opinions. For the full text of the evaluation reports, see JBIC's website.

Other Types of Evaluations

Expert Evaluations (see p. 19)

Experts such as editorial writers for newspapers conduct an onsite study of projects of a thematic evaluation, etc., and then evaluate the projects and offer recommendations concerning ODA loan operations. In FY2004, four expert evaluations were conducted.

Thematic Evaluations (see p. 74)

In thematic evaluations, several projects are comprehensively evaluated together based on a specific theme. The themes are chosen based on the four priority areas in the "Medium-Term Strategy for Overseas Economic Cooperation Operations" so that lessons learned and recommendations may be obtained from a broader viewpoint and suggestions may be obtained for medium-term strategies in the future. In FY2004, four thematic evaluations were conducted.

Contribution to the Developing Countries

The number of beneficiaries in projects that were evaluated in project evaluations and thematic evaluations in FY2005 is shown below. Furthermore, when external evaluators conduct field surveys, they hold interviews with residents and companies in the beneficiary region for each individual project, undertake beneficiary surveys using questionnaires, and verify the effects and impacts of each project.

Beneficiaries of Projects Evaluated in FY2005

Content	Number of Beneficiaries
Electric power supply (industrial development, rural electrification)	52.02 million
Safe water supply and treatment of domestic industrial wastewater	31.66 million
Flood control (improved safety)	2.67 million
Support for cultivation and harvest of agricultural products	520,000*

*This is the number of beneficiary farmers and does not include family members.



Metro Manila LRT Line I Capacity Expansion Project in the Philippines



Al-Zala Thermal Power Plant Project in Syria (interview with beneficiaries)