Introduction: Impact Evaluation in Official Development Agencies
Howard White and Michael Bamberger
Aid effectiveness has long been disputed. But there is a growing body of evidence from detailed, microeconomic field-level impact evaluations. As shown by the articles in this volume, the design of these studies increasingly addresses the different sources of bias criticised in evaluations made by official agencies. These evaluations therefore provide a firm basis for drawing conclusions on aid effectiveness, though a greater number are required to permit generalisation, and challenges remain in enhancing study quality and policy relevance.

Fostering Impact Evaluations at Agence Française de Développement: A Process of In-house Appropriation and Capacity-Building
Jean David Naudet and Jocelyne Delarue
In 2006, AFD’s Evaluation Unit was integrated into the Research Department in order to apply research to part of the evaluation work. This new principle led AFD to carry out rigorous impact evaluations in partnership with academic teams. Two have already been completed – on Madagascar (microfinance) and Guinea (agricultural development). Two Randomised Control Trials have recently been launched in Morocco (microfinance) and in Cambodia (micro-health insurance). In addition to promoting accountability, the main objective is to produce sound knowledge on development and to contribute to national policy-making. Moreover, the substantial involvement of AFD and its local partners in these exercises aims at building in-house capacities. The challenge is now to address a growing number of in-house demands for rigorous impact evaluations, under time and budget constraints, through a diversity of methods.

‘You Can Get It If You Really Want’: Impact Evaluation Experience of the Office of Evaluation and Oversight of the Inter-American Development Bank
Inder Jit Ruprah
This article’s assessment of the Inter-American Development Bank’s Office of Evaluation and Oversight’s experience with impact evaluation offers lessons for best-practice methodology, including for studies faced with time and budget constraints. The author points out the difficulty in mainstreaming this methodology in a multi- or bi-lateral lender. However, given its didactic nature, this assessment can be instructive to the development community, as the author presents ways of rigorously evaluating programmes that have not been designed with such an evaluation in mind.

Analysing the Effectiveness of Sector Support: Primary Education in Uganda and Zambia
Antonie de Kemp
The move of donors from project aid towards sector and general budget support creates new challenges for the evaluation of the effectiveness of aid. This article gives a summary of two sector evaluations, both for the education sector, in Uganda and Zambia. It gives a brief description of the methodological problems and evaluation method and describes the results. It concludes that the method of analysis, a quantitative analysis based on secondary (administrative) data, has the potential to improve insight in the effectiveness of interventions in a sector.

Impact of Microfinance on Rural Households in the Philippines
Toshio Kondo, Aniceto Orbeta, Jr, Clarence Dingcong and Christine Infantado
The study used a quasi-experimental design to control for non-random programme participation and fixed-effects estimation to correct for non-random programme placement. In addition, it included former clients to correct for non-random attrition/dropout problems. It also used econometric estimation procedures for estimating average treatment effects. It was found that the microfinance programme kept programme clients economically active with more enterprises and more workers. It also improved consumption-smoothing capabilities with lesser dependence on presumably higher-priced non-Grameen Bank Approach loans and increased savings in both programme and non-programme microfinance institutions. However, the impact on

Summaries
Impact Evaluation: The Experience of Official Agencies

Learning to Evaluate the Impact of Aid
Seiro Ito, Nobuyuki Kobayashi and Yoshio Wada

Rigorous impact evaluations have yet to be officially incorporated into the evaluation of development aid in Japan. The authors claim that several features of Japan’s aid are responsible: country and sector allocation, size distribution, and political constraints. However, the Japan Bank for International Cooperation (JBIC) has recently conducted rigorous impact evaluations of infrastructure projects, both large-scale (the Jamuna Bridge in Bangladesh) and small-scale (FONCODES social investment fund in Peru). For an accurate estimation of impact, the authors argue that the scale of infrastructure and the decision-making process in project formation (centralised or decentralised) needs to be incorporated into evaluation design. Both accountability (demonstrating development results to constituencies, internal validity) and feedback (drawing out lessons for similar projects, external validity) are the objectives of rigorous impact evaluations. Both evaluation studies satisfy the first objective to some extent but entirely fail on the latter due to inadequate disclosure of the mechanism behind the results. The authors therefore argue that external validity is necessary, and present a methodology for applying lessons from previous rigorous impact evaluation studies to future projects.

Evidence-based Evaluation of Development Cooperation: Possible? Feasible? Desirable?
Kim Forss and Sara Bandstein

It is increasingly recognised that evidence-based evaluations are important tools in addressing the lack of information on impacts of development cooperation activities. However, as shown in this study, very few evaluations are evidence-based. A number of probable explanations have been found in the terms of reference for the evaluations. The most important are that too many questions are to be answered at the same time, that evaluations are often planned after the activities have been implemented and that the terms of reference often provide unclear definitions of what constitutes a result. A number of measures ought to be taken if evidence-based evaluations are to increase. First, it is necessary that the types of evaluation are distinguished. It is only questions about effectiveness and impact that can be addressed through experimental methods. Second, evaluations need to be part of the overall planning phase of the interventions. Finally, evaluations have to focus only on either one particular result or on a very small number of results.

Lost Opportunities and Constraints in Producing Rigorous Evaluations of USAID Health Projects, 2004–7
Charles H. Teller

Impact evaluation is often seen as a central building block of results-based management. But in USAID rigorous impact evaluations have been crowded out by the drive to outcome-monitoring in the name of the results agenda. Other constraints on adopting quantitatively well-designed impact evaluation designs have included a lack of the required technical skills amongst those charged with conducting evaluations, the lack of incentives to produce quality studies – including the desire to avoid uncovering weak performance – and hence a lack of political will to expand the impact evaluation programme. The article proposes a new evaluation agenda to address these deficiencies.

Of Probits and Participation: The Use of Mixed Methods in Quantitative Impact Evaluation
Howard White

The current drive to rigour in impact evaluation must not be at the expense of adopting a mixed methods approach which helps ensure policy relevance. In-depth qualitative work can help shape the evaluation questions and data collection instruments. Without utilising qualitative information it is very difficult to unpack the programme theory and interpret quantitative results so that the question why an intervention worked (not just if) can be answered. Examples drawn from the impact evaluation work of the World Bank’s Independent Evaluation Group illustrate each of these points.