Evaluation and Parliamentarians: Using evidence from the past to inform future actions

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In a recent blog I argued that evaluation should play a greater role in the work of parliamentarians. Why? As parliamentarians, you engage with the World Bank Group. You play an important role debating and passing your countries' policies and legislation. You hold governments to account. And, crucially, you are accountable to the constituencies who voted you into office.

In all of these functions, informed discussions – and informed decisions – require evidence: what has worked in the past, what hasn't and why? It is providing just such evidence that is at the heart of evaluation. This is not to say that evidence from evaluation is the only piece of information that should drive decisions; but it can, I believe, help to identify predictable risks, prevent avoidable mistakes and ultimately, produce better results.

What does this mean in practice?

Let's take private sector development. IEG's evaluation of the Bank Group's work in public-private partnerships (PPPs) showed that many stakeholders see these arrangements as a desirable solution to deliver services. They believe the private sector is best placed to do so. This is often true, but not always. And to make a partnership between public and private entities work, a lot more is needed. Our evaluation showed that if the political will is lacking, deals will fail before negotiations are completed; or if governments do not have the capacity to negotiate, engage in, and manage the partnership with the private sector, deals might not work, and certainly not for everyone. In the end, the delivery of services might be to just one segment of society, may not be as efficient as expected, or drain public resources, as fiscal dimensions are not adequately reflected. And, while plenty of examples exist of how service provision can improve through PPPs, it is hard to tell whether they benefit the poor.

How is this different to the advice that the World Bank Group gives?

IEG evaluates what the World Bank Group does. We provide an independent assessment of the Bank Group's work to determine what works and what needs improving. We are independent in that we report to the Executive Board rather than management, and we have a mandate to take a critical look at the results and performance of the Bank Group. The Board decides the appointment of the Director General, Evaluation, and approves the work program and budget.

IEG's work is a systematic effort to ensure accountability vis-à-vis shareholders, client countries, and the public at large. As the World Bank agrees with client countries to finance projects, or introduce policy changes, it makes commitments for which it – and its partners – are responsible for achieving as promised in these interventions. Likewise, as the IFC supports private sector investments, it needs to bridge its dual role of promoting a healthy private sector that is financially viable, but at the same time generates development outcomes beyond profits for the company. Further, MIGA's guarantee facilities aim to help countries secure investments with commensurate development results.

IEG evaluations draw lessons from experiences that help build on and replicate success, while preventing the repetition of avoidable mistakes. Let's look at another couple of examples from private sector development. When we evaluated the Bank Group's targeted interventions to promote small and medium enterprise development, we found that too many of these interventions were not very clear about the market failures they aimed to address or what their effects were on enterprise development. As a result, questions remained about whether these interventions had created more businesses, whether businesses created more jobs or whether mechanization had produced efficiency gains and better profits? Our evaluation of interventions to improve the investment climate of client countries found that these reforms generally produced results in terms of legislation and favorable business processes, but there was little proof that they had resulted in greater foreign investment flows. The reforms to legislation also took an enterprise-centric perspective that focused less on the broader development effects of these reforms.

The fact that these important lessons might not have been learned were it not for the evaluation process is, of course, relevant well-beyond the World Bank Group. By generating evidence of success as well as failure, IEG's work – and evaluations conducted by others – can ensure that policy debates within governments and among parliamentarians are informed by facts from past experience and result in better outcomes in the future.