

Evaluation Mandate for the Financial Mechanism Office

**Approved by the Financial Mechanism Committee
on 12 April 2011**

Purpose

This mandate determines that one of the functions of the Financial Mechanism Office (FMO) is to initiate and manage external evaluations of the EEA and Norway Grants support. These evaluations are supplementary to evaluations carried out by institutions in the Beneficiary States.

Aims and principles

Evaluations aim to establish an open and self-critical culture with the objective of continually improving practice. It feeds into management and decision-making processes and makes an essential contribution to managing for results, by informing the planning, programming, budgeting, implementation and reporting cycle. It aims at improving the achievement of results, optimizing the use of resources, providing client satisfaction and maximizing the impact of the contribution of the EEA and Norway Grants.

Specifically the aim is to:

- assess the effectiveness and outcomes in relation to the approved plans,
- assess whether the resources used are reasonable in relation to the results achieved,
- systematize experiences in order to ensure the quality and enhance future activities through learning, and provide information to policy makers and the public

Activities will build on the OECD guidelines for evaluation and comply with the following principles:

- Evaluations should be carried out by external experts who are neutral and independent of control from those who have responsibility for planning and implementation of those measures.
- Evaluations should promote operational recommendations for future development of the measure or similar measures. The recommendations will be based on an analysis of factors affecting achievement of objectives and results of the interventions. Participatory evaluations may also be carried out with a view to further strengthen the learning aspect.

Evaluation Function

Evaluation should be distinguished from other functions in the oversight spectrum while recognizing that evaluation findings both draw from and inform the products of the other functions. Evaluation is distinct from inspection, investigation and financial and compliance audit, whereas there are commonalities between evaluation and programme performance audit. Evaluation differs from monitoring, which forms a part of management's accountability for self assessment and reporting.

The emphasis on the learning and control/documentation function varies between different evaluations. Dissemination of knowledge to the relevant decision-makers is an important tool to influence the design of future initiatives. The evaluation process should be participatory and inclusive to promote maximum learning. If necessary, a reference group is established consisting of representatives of stakeholders and affected parties to comment on the work underway. If relevant, the FMO would also arrange for review seminars before, during and after an evaluation.

The FMO will submit yearly plans for evaluation to the FMC for approval. These are prepared in consultation with relevant stakeholders in the FMO, Donor States and Beneficiary States. The evaluation plan will include a short explanation of assessment: purpose, audience, and what particular aspects of the evaluation should include.

Implementation and follow-up

The FMO prepares the final Terms of Reference in consultation with relevant stakeholders. These may include the Donor States, Beneficiary States, Donor Programme Partners and other entities

responsible for the interventions to be evaluated, and can also include stakeholders such as the final beneficiaries. The FMC endorses the final Terms of Reference.

To conduct the evaluations, the FMO selects a consultant to carry out the evaluation in accordance with EFTA's procedures and rules. The consultant will need open access to relevant information sources in the FMO. In principle, the consultant should have access to all written material relevant for the evaluation.

The FMO is responsible for coordinating the evaluation activities and for implementation of the evaluations. The FMO may participate as an observer in the implementation of the evaluation, so long as this does not affect the principle of neutrality and independence.

Procedures and follow-up

The consultant shall deliver a draft inception report to the FMO that outlines the suggested methodologies and time-frame of the planned evaluation. Furthermore, the consultant shall deliver a draft report within the time proposed in the inception report. This draft will be circulated for comments among relevant stakeholders, including the FMC to correct any errors and misunderstandings and to review the content. On the basis of the final report the FMO will prepare substantive comments and prepare a memo with suggestions for issues that should be followed up by relevant stakeholders. This memo will be sent to the FMC for approval and follow up. Once the final report has been approved it will be distributed and published on the FMO's website.

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ANNEX 1

FMO Evaluation process

Document/task	Consultant	FMO	External Advisers	Stakeholders
Terms of Reference (ToR)		Prepared by FMO	Advice (if necessary)	Comments
Tender Document		Prepared by FMO		
Tenders	Submitting tenders	Reviewed and selected by FMO		
Contract	Contract meeting	Contract meeting		
Inception report	Prepared by Consultant	Review and feedback	Advice (if necessary)	Comments
Revised inception report	(in some cases only)	Review and feedback	Advice (if necessary)	
1 st draft final report	Prepared by consultant	Review and feedback. Either accepted for hearing or required 2 nd draft	Advice (if necessary)	Comments if 1 st draft accepted by FMO for hearing
2 nd draft final (if required before hearing)	If required by FMO	Review and feedback	Advice (if necessary)	Comments on errors and substance
Final report	Prepared by Consultant	Final scrutiny for publication		
Published report		Published by FMO		Final comments on findings and recommendations
Presentation (seminar or other occasion)	Presented by Consultant	Organised by FMO	Participation (if necessary)	Participation
Memo to FMC for follow-up		Written by FMO		Copied to stakeholders