



بنك تنمية المدن والقرى
CITIES & VILLAGES DEVELOPMENT BANK

Monitoring and Evaluation Policy 2026

First: General Context of the Policy – Objectives and Perspective

This policy aims to confirm that the Cities and Villages Development Bank regularly provides credible, timely and evidence-based information on the relevance and performance of development projects, programs, policies and activities. The Bank's monitoring and evaluation policy abides by the international standards and will be initially circulated through the project development division and then throughout the Bank at large.

The Cities and Villages Development Bank acknowledges that program effectiveness relies heavily on its ability to monitor, measure and evaluate the Bank's work and making the necessary amendments to the design and implementation of the Bank's initiatives based on the results. Therefore, it is committed to the strategic role of the evaluation system, including self and independent evaluation (if the necessary funding is available) to measure the development effectiveness of the interventions by Cities and Villages Development Bank and enhancing learning and accountability which helps in planning and managing such initiatives.

It is also committed to enhancing the function of independent evaluation to increase the contribution to the quality of operations at the Bank, through offering evidence on its importance, effectiveness, efficiency and sustainability. It is also committed to guaranteeing that any financing to be received from the Green Climate Fund will abide by the best international practices in terms of relevance to monitoring and evaluation, including knowledge building through effective publication and sharing evaluation information at the appropriate time.

Second: The Policy's Guiding Principles

Based on these commitments, the Cities and Villages Development Bank follows the following guiding principles for its evaluation system:

- 1. Added value:** The evaluation mindset adds value to any project or program from the very beginning. The evaluation mindset makes the initiative more effective by outlining the expected results and the strategies that will contribute to their achievement and the features or pillars that will highlight the progress of work.
- 2. Benefit and timing:** The evaluation must be of value, must have a clear use, and respond to the user's needs. It must also contribute to managing and achieving the results of development.

3. Neutrality: To achieve credibility, the evaluation must be conducted with complete neutrality and must fulfill all basic ethical standards.

4. Quality: The evaluation must be characterized by internationally accepted quality standards. This means that the main questions and investigation areas must be clear; the evaluation design process and data collection and analysis must be appropriate to the answers to the evaluation questions and must be implemented with professionalism; and the results must be presented in a way that makes it easy for the target audience to understand them; which means that the team must conduct the evaluation ethically, respecting the rights of the participants, including the beneficiaries, and accounting for cultural sensitivity.

5. Appropriateness: The evaluation must produce relevant practical results. The interpretation of the results must be based on facts with the context of the country and the programs. The process must enhance ongoing participation and ownership by the users. The evaluation results, lessons learned and recommendations should be practical and realistic for the Bank and stakeholders.

6. Capacity building: The evaluation process must build capacities in the area of evaluative and analytical thinking, in addition to increase the ability of participants to learn from success stories and reasons for failure, to employ them in managing risks.

7. Transparency: The evaluation process must be transparent, so that all stakeholders realize the reality and continuity of the evaluation process, in addition to explaining the scope of evaluation and methods used. The results, lessons learned, and recommendations will be published for all stakeholders and the public at large through various channels, such as reports, summaries, presentations and other communication tools, to the maximum extent possible.

Third: General Framework for Monitoring and Evaluation

3:1 Introduction

For the purposes of this policy, **monitoring** is designed as the ongoing and methodological evaluation of the project or program implementation and performance throughout its lifecycle. The evaluation process includes the ongoing collection and review of information to measure the progress with regard to the program plans and objectives. The monitoring and evaluation process usually entails a number of specific monitoring and evaluation interventions based on a specific timeline (for example, field monitoring visits every six months or quarterly monitoring reports).

Likewise, **evaluation** is defined as the accurate and in-depth evaluation of the progress achieved in all aspects of the project or program against its plan and

preliminary objectives at a main point during the project's lifecycle. Evaluations are usually conducted in the middle of the project's lifecycle (midterm evaluation) and at the end of the project's cycle (final evaluation). They can be conducted as an internal or external process.

3.2 International Standards

To abide by international standards, the Cities and Villages Development Bank will use unified evaluation standards and procedures for the purpose of evaluating projects and programs in terms of their efficiency, results and impacts, based on national priorities. When drafting the terms of reference for the evaluation plans and visits, the Bank will follow the standards of the OECD development assistance committee (DAC-OECD)¹

- **Appropriateness:** The appropriate of the activity relevant to the priorities and policies of the target group, recipient and donor
- **Effectiveness:** Measure the extent the activity of the grant / development fulfilled its objectives
- **Efficiency:** Measure the outputs of the program relevant to the inputs (including cost effectiveness, timing and process efficiency)
- **Impact or influence:** Positive and negative changes resulting from the intervention, direct or indirect, deliberate or inadvertent
- **Sustainability:** Identify if it is possible to continue with the activity's benefits after financing is suspended or the program is concluded (including financial and environmental sustainability)
- The evaluation questions and processes are specifically drafted to evaluate the progress achieved against all of these standards, and evaluation reports are required for all these standards.

3.3 Indicators and Baseline

A group of indicators shall be developed to measure the progress achieved at the level of outputs, results and objectives. These indicators may be quantitative or qualitative in nature and are typically a mixture of both. To conduct assessments that are meaningful for progress, and to facilitate accurate evaluation processes, all indicators must be SMART (specific, measurable, achievable, realistic and time-based).

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It is mandatory to identify reference points and the baseline at the beginning of every project. The baseline is developed with regard to all areas of the activity, so that progress can be measured accurately at a later stage. The main objectives are identified at the levels of outputs and results – with a specific reference to the baseline – which will be achieved within specific periods during the project’s lifecycle. The timelines for achieving the goals may vary, so that not all indicators necessarily have an annual objective. In spite of this, care must be taken in identifying objectives in general, to guarantee the accommodation of sufficient information to produce meaningful annual reports and to conduct meaningful interim and final evaluations.

The methods for verifying each indicator and objective must be clearly outlined in the design stage, so that progress can be accurately measured during monitoring and evaluation processes.

3.4 Projects and Programs Funded by the GCF

Regarding projects and programs funded by the GCF, the Bank, as an accredited entity, will ensure the development of a results framework for every project in the project concept development phase. Any implementing partner will be encouraged to utilize external expertise in identifying objectives and baselines when necessary. Local communities and other local development entities will be consulted and / or directly engaged in identifying priority beneficiaries. The implementing partners will be asked to visit every area of the project’s areas on at least a quarterly basis and submit progress reports (in a standard format – see Annex 2) to the Cities and Villages Development Bank on a quarterly basis. The project results framework must be used as evidence to ensure progress in every area of activity, which will include implementing partners benefitting from the activities and the project monitoring discussions.

Regardless of reporting activities, outputs and results (whenever possible), the monitoring reports submitting by the implementing partners will also include a reference to specific accountability and learning issues. Mid-term and final evaluations are usually performed in the context of any activity funded by the GCF. Implementing partners will also play a main role in approving terms of reference for the evaluation with the Cities and Villages Development Bank, in addition to facilitating the evaluation process and ensuring the full and objective participation of beneficiaries from this process.

3.5 Field Follow-Up Visits

The Cities and Villages Development Bank staff will conduct field monitoring visits for every partner or beneficiary every six months. During these visits, the project results framework will be used as a foundation to evaluate the achieved progress against every area of the activity areas in the project. In addition to tracking outputs and results, the discussions with the partners and reports from the monitoring visits (annex 2) will include a specific reference to accountability and learning issues outlined in part 3 above. Biweekly monitoring visits are typically conducted by the monitoring and evaluation team.

3.6 Final Evaluation

The Cities and Villages Development Bank will mandate an external entity to conduct a final independent evaluation for every project once it is completed (if the necessary funding is available to appoint an independent evaluator). To guarantee complete objectivity, the final evaluations will always be of an external nature, either conducted by a consultant or an external agency in accordance with specific areas of expertise as agreed upon between the Cities and Villages Development Bank, the implementing partner and the consultant. The evaluations will be conducted with a specific reference to OECD-DAC standards, see Annex 1 to review the general terms of reference.

The evaluation will cover issues of accountability and learning, officially taking into account every evaluation recommendation by the partners and the Cities and Villages Development Bank within the framework of an official process under the title “management response”. The rationale for accreditation or non-accreditation of every recommendation will be recorded in accordance with the management’s response to refer back to in the future by the Cities and Villages Development Bank and its donors. The mean lessons learned will also be officially recorded, and shall be considered in designing the next project cycle.

3.7 Midterm Evaluation

Midterm evaluations are typically held halfway through the project or program. The midterm evaluation may be held internally by the Bank and / or partner staff or by an external consultant (if the necessary funding is available). The recommendations will be considered as they are in the final evaluation, with a written management response, including a clear rationale for accrediting or

rejecting the recommendations. The lessons learned are also official document in addition to considering how to change / adapt or amend the project / program as it progresses.

Fourth: General Evaluation Disclosure

As part of the efforts by the Cities and Villages Development Bank to enhance the transparency and credibility of its evaluation function to support the results agenda, the self and independent evaluations will be disclosed to the public after editing any private information. As for the activities funded by the GCF, all their evaluations will be publicly disclosed.

The reports that are publicly disclosed will be published on a wide scale through print and electronic media, seminars, working groups, conferences and other knowledge exchange activities, in addition to capacity building activities, as necessary. The Cities and Development Bank will dedicate a space on its website to upload all GCF evaluations.

Fifth: Roles and Responsibilities

The monitoring and evaluation policy will include current staff inside the project management unit. The current project and program management procedures will also include results-based monitoring and evaluation. The international projects unit will bear full responsibility for managing the evaluation function.

The project managers / loan officers – who are the most knowledgeable regarding the performance and results of their projects – will play a main role in ensuring project monitoring and evaluation. As the main link with the municipalities and other clients, their role includes regularly collecting monitoring and evaluation information from the municipalities / clients during their periodic reviews and assistance in compliance with project reporting requirements. During the implementation phase, project managers will collect quarterly reports from the municipalities / clients.

The following table outlines the roles and responsibilities at the various levels within the Cities and Villages Development Bank in implementing the monitoring and evaluation process.

Entity	Roles and Responsibilities
Board	<ul style="list-style-type: none"> - Project approval - Highlight the Bank's role in achieving national objectives
Senior management	<ul style="list-style-type: none"> - Monitor the achievement of the project's results - Submit reports to the relevant authorities in the state to resolve problems and network with other institutions
Project Manager	<ul style="list-style-type: none"> - Create performance indicators for the project - Monitor the achievement of indicators - Resolve the problems and create plans to manage risks - Monitor monitoring reports - Monitor the monitoring and evaluation team - Appoint an independent evaluator
Monitoring and evaluation team	<ul style="list-style-type: none"> - Conduct a periodic evaluation for the activities and programs
Field execution team	<ul style="list-style-type: none"> - Draft periodic monitoring reports - Draft reports on problems and obstacles

Sixth: Update and review the monitoring and evaluation policy

This policy shall be updated continuously as required to integrate developments or changes to the policies, strategies or other processes at the Cities and Villages Development Bank. The policy will be fully reviewed in four years.

This policy was drafted in cooperation between the Cities and Villages Development Bank, the Green Growth Global Institute and the advisory team under the umbrella of the accreditation project for the Bank as a Green Climate Fund.