



WFP EVALUATION



World Food Programme

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Technical Note

Evaluating Efficiency in Country Strategic Plan Evaluations

1. Introduction

1. WFP Country Strategic Plan Evaluations (CSPEs) assess WFP's performance against standard Organisation for Economic Co-operation and Development/Development Assistance Committee (OECD/DAC) evaluation criteria including relevance, coherence, effectiveness, efficiency, and sustainability. In addition, factors influencing Country Strategic Plan (CSP) performance are also assessed. As per Centralized Quality Assurance System (CEQAS), CSPEs provide an opportunity for accountability and learning in WFP, including with respect to use of resources.
2. This technical note aims to provide guidance to WFP evaluation managers and external evaluation teams to understand how to evaluate different dimensions of efficiency and be aware of challenges experienced in evaluating efficiency in CSPs. The note should be applied thoughtfully and considered supplementary to existing OECD guidance on evaluating efficiency.
3. The note will be regularly updated informed by OEV's experience in conducting CSPEs and feedback from evaluation managers, evaluation teams, WFP Country Offices (COs) and other practitioners.

2. Definitions

4. In evaluation, efficiency concerns **how well resources are being used, and the extent to which an intervention delivers, or is likely to deliver, results in an economic and timely way.**¹ Resources include full economic costs (human, environmental, financial and time).
5. Box 1 provides the four dimensions applied in evaluating efficiency; timeliness, economy, operational-efficiency and cost-effectiveness. The following section of this Note provides guidance on their evaluation.

Box 1: Efficiency dimensions

Timeliness²: The extent to which results were achieved within the intended timeframe.

Economy³: It is the absence of waste and the conversion of inputs into results in the most cost-efficient way possible. Appropriateness in making choices such as allocation of resources, purchasing of inputs.

Operational efficiency⁴: Is how well resources are used during implementation. Appropriate utilization of planned resources.

¹ OECD (2021), *Applying Evaluation Criteria Thoughtfully*, OECD Publishing, Paris.

² Ibid

³ Ibid

⁴ Ibid

Cost-effectiveness: Feasible alternatives that can deliver results (outputs/outcomes) within given resources.⁵ The amount of “effect” a program achieves for a given amount of cost incurred, or conversely the amount of cost required to achieve a given impact.⁶

Intervention: An intervention may denote a project, programme, policy, strategy, thematic area, technical assistance, policy advice, an institution, financing mechanism, instrument, or other activity.⁷

3. What to evaluate in efficiency?

3.1. Timeliness

6. Timeliness is **the extent to which results were achieved within the intended timeframe**. It can be assessed by analysing three areas: the timeliness of planning, delivery and utilization of resources. Table 2 indicates potential lines of enquiry for each area, possible relevant data sources.
7. Timeliness is a core element of assessing WFP’s efficiency, and as such, will usually be evaluated. However, the specific choice of areas for analysis should be informed by the evaluation questions and theory of change assumptions that evaluators seek to validate and test.

Table 2: Timeliness – Possible lines of enquiry

Area of analysis	Possible lines of inquiry	Source of data
Timely planning	<ul style="list-style-type: none"> • Timing of completion of Implementation Plans/Operation Plans • Timing of prepositioning • Timing of selection of Cooperating Partners • Positive or negative, intended or unintended effects of delays in planning 	<ul style="list-style-type: none"> • Annual Performance Plans (Plan, Mid-Year Review, End Year Review) • Contingency plans / Concept of Operations (CONOPS) • Prepositioning data (HQ Supply Chain and Planning and Optimization Team in HQ (SCDO)) • CO procurement records • Key informant interviews (KIIs) with CO Programme, Risk Management, Procurement, Supply Chain. • KIIs with beneficiaries • KIIs with Cooperating Partners
Timely delivery	<ul style="list-style-type: none"> • Performance on implementation of distribution plans • Pipeline breaks • Positive or negative, intended or unintended effects of delays in delivery 	<ul style="list-style-type: none"> • Process monitoring reports • Activity Implementation Monitoring (AIM) reports • Community Feedback mechanisms • Cooperating Partners distribution reports and related evaluations • Extraction from Logistics Execution Support System (LESS), e.g. aggregated data on delivery delays • Security incidents • KIIs with beneficiaries • KIIs with Cooperating Partners
Timely utilization of resources	<ul style="list-style-type: none"> • Expenditure rates of CSP activities (underspending, overspending) 	<ul style="list-style-type: none"> • Financial data • Pipeline analysis • Note for Record (NFR) or reports from the CO resource management committee • KIIs with CO Budget, Donor relations, Programme

⁵ Ibid

⁶ Dhaliwal et al. (2011), Comparative Cost-Effectiveness Analysis to Inform Policy in Developing Countries: A General Framework with Applications for Education, Abdul Latif Jameel Poverty Action Lab (J-PAL), MIT.

⁷ [OECD \(2021\), Applying Evaluation Criteria Thoughtfully, OECD Publishing, Paris.](#)

8. Comparing timeliness over time, across activities, areas of intervention etc, can be very helpful to understand the underlying factors driving speed of delivery or delays (bottlenecks), which, may be internal – i.e. within WFP’s control – or external, or related to contextual events .

3.2. Economy

9. Economy is **the absence of waste and the conversion of inputs into results in the most cost-efficient way possible**. This includes assessing the appropriateness of choices in e.g. purchasing inputs, delivery modality etc.
10. Table 3 presents areas for analysis, indicative lines of enquiry, and potential data sources to assess economy. As for timeliness, these will be evaluation-specific, depending on the questions asked.

Table 3: Economy - Possible lines of enquiry

Areas of analysis	Possible lines of inquiry	Sources of data
Delivery costs	<ul style="list-style-type: none"> Choice of modality – Food, cash, hybrid Transport costs (air/road) Field Level Agreement costs (international, local) 	<ul style="list-style-type: none"> Feasibility studies conducted by the regional offices/CO Global Commodity Management Facility (GCMF)-related data (HQ Supply Chain Planning and Optimization Unit) KIIs with CO Supply Chain, Procurement, Programme
Input costs	<ul style="list-style-type: none"> Cost of commodities (global, local GCMF), Cost of human resources (international/local and long/short-term) Cost of facilities (owned/rented).⁸ 	<ul style="list-style-type: none"> Calculation of cost of comparable food basket for each modality and each cost category using Optimus simulation https://optimus.wfp.org⁹ WFP HQ Analysis Planning and Performance (APP) - Intensity of Assistance framework¹⁰ CPB Expenditures Report by Year and Commitment Item (link)¹¹
Trade-offs between economy and other factors	<ul style="list-style-type: none"> Trade-off between economy and timeliness, environmental considerations, protection etc. 	<ul style="list-style-type: none"> Environmental and Social Sustainability Assessments CO prioritization strategy KII with CO Protection, Gender and Inclusion, Programme

3.3. Operational efficiency

11. Operational efficiency concerns **how well resources are used during implementation as well as the appropriate utilization of planned resources**.
12. Operational efficiency, which is usually a core component of evaluating efficiency, can be assessed by analysing areas such as budget expenditure and the CO cost structure; risk management; and decisions made to enhance cost savings and reduce any potential wastage of resources. Table 4 below presents key areas for analysis, indicative lines of enquiry, and potential data sources.

⁸ [Presentation and discussion on budget analysis in CSPEs.pptx](#)

⁹ [WFP. 2024. Cost efficiency analysis for Resource Transfers](#)

¹⁰ The framework measures the duration, value, and coverage of aid provided to beneficiaries. It assesses how long assistance lasts, how much is provided, and how well it meets the needs of those in need. See [Expenditures per Beneficiary and Intensity of Assistance – Guidance Note](#)

¹¹ The report provides data on expenditure up to the lowest level of granularity such as commitment item, with full information on focus Area, fiscal year, fiscal period, WBS elements, cost category, modality and cost control category.

13. To assess operational efficiency, it is important to understand how budgets and costs are structured in WFP at the country level (see [Country Portfolio Budget \(CPB\) structure](#)¹²)

Table 4: Operational efficiency - possible lines of enquiry

Areas of analysis	Potential lines of enquiry	Sources of data
Risk management	<ul style="list-style-type: none"> Extent to which risk mitigation has been considered in use of resources 	<ul style="list-style-type: none"> Risk registers Global Assurance Framework reporting Management Oversight Mission reporting KIIs with CO Programme, Risk and Compliance
Reduction of waste	<ul style="list-style-type: none"> Losses and expiries (value of losses and expiries) 	<ul style="list-style-type: none"> Data on waste production, CO2 emissions and water use from ARCHIBUS WFP Annual Report on global losses¹³ CPs distribution reports and related evaluations Post-delivery and pre-delivery losses reports (Supply Chain Division and COs) KIIs with Supply Chain, Admin
Cost saving measures	<ul style="list-style-type: none"> Decisions to enhance operational efficiency – digitization, prioritization, coordination, integration, staffing levels and distribution, number and spread of field offices Cost saving measures undertaken 	<ul style="list-style-type: none"> Budget revision documents Realignment reports WFP HQ APP Reports on efficiency gains¹⁴ KIIs with CO Programme, Management, Procurement, IT, Supply Chain CPB Expenditures Report by Year and Commitment Item (link)

3.4. Cost-effectiveness

14. Cost-effectiveness is **the amount of “effect” a programme achieves for a given amount of cost incurred, or conversely the amount of cost required to achieve a given result.**

15. Cost-effectiveness measures the extent to which an intervention contributes to its intended outcome at the lowest possible costs. A comparative input cost analysis should be used to determine the lowest possible cost. Cost-effectiveness is usually expressed in terms of **the ratio of the change measured in the outcome of interest (the effect of the intervention) in relation to the financial costs of achieving that change.** To measure this, certain conditions must be in place:

- The outcome-level change must be quantifiable (e.g. percentage change in the average food consumption score).
- The financial costs must also be quantifiable and, to the extent possible, expressed in monetary value.
- Human costs, in terms of staffing costs, should be quantifiable, and can thus be applied as part of the cost-effectiveness analysis.
- Other costs, such as environmental costs, may not be quantifiable – and as such, can only be treated qualitatively rather than as part of cost-effectiveness.

16. Given that CSPEs assess the overall performance of the CSP on achievement of strategic outcomes and coupled with the challenge of disaggregating financial (cost) data by programme results/effects in WFP – as well as the resource-intensive approach needed for cost-effectiveness analysis - it may be preferable for CSPEs to use secondary evidence on cost-effectiveness where available. including impact evaluations.

¹² See also more details here: [Country Portfolio Budget Guidelines – 4 November 2020 version](#)

¹³ See https://executiveboard.wfp.org/document_download/WFP-0000157536

¹⁴ See <https://docs.wfp.org/api/documents/WFP-0000155610/download/>

4. Challenges and mitigating measures

17. The diverse nature of CSPs and contexts in which WFP works can pose challenges to evaluating efficiency. In addition, different types of data and analytical tools will be needed for measuring different areas of efficiency.
18. Table 5 presents some common challenges and mitigating measures which can be applied:

Table 5: Examples of challenges and mitigating measures

Challenges	Mitigating measures
<ul style="list-style-type: none"> The different dimensions of efficiency are not independent from each other and other evaluation criteria such as effectiveness. For example, responding faster (timeliness) to an emergency might save more lives (i.e. higher effectiveness) but at the same time require WFP to purchase goods and services at a higher price (i.e. reduced economy). Delivering activities at a lower cost (i.e. higher operational efficiency) might affect their quality to such an extent that the intervention contributes less to the intended outcomes with the resources available (i.e. lower effectiveness). 	<ul style="list-style-type: none"> Assessment of efficiency dimensions should be analyzed in conjunction with other evaluation criteria. Evaluators should consider these trade-offs when generating evaluative findings and judgement, particularly when assessing efficiency of delivering more complex types of assistance such as resilience building activities or Country Capacity Strengthening.
<ul style="list-style-type: none"> Programme implementation is often faced with trade-off between efficiency and elements such as equity/ impartiality in the distribution of benefits, where for instance cost and/or time savings are achieved by paying less attention to the needs of harder-to-reach population groups. Other important trade-offs, such as between efficiency and protection, or between efficiency and the environmental footprint of operations, can present ethical dilemmas and/or dilemmas related to the humanitarian principles. 	<ul style="list-style-type: none"> Evaluators should consider these trade-offs when assessing efficiency and provide a 'rounded' analysis which is situated within the external context. Because such trade-offs are context-specific, efficiency analysis should be informed by a thorough understanding of the operational context.
<ul style="list-style-type: none"> For cost-benefit analysis, it is often very challenging to put a monetary value on tangible benefits delivered when these relate to fundamental humanitarian issues such as peoples' survival, nutritional status, skills, empowerment or any other aspect of their well-being. 	<ul style="list-style-type: none"> Evaluation teams are generally not expected to conduct cost-benefit analysis but, as appropriate, make use of any existing, relevant studies for the country and period under review.
<ul style="list-style-type: none"> The full costs of achieving results (e.g. environmental costs) may accrue over many years, so the actual efficiency during the course of the programme, or at the time of the evaluation, may not reflect the entire picture. 	<ul style="list-style-type: none"> Evaluators should consider time considerations and provide caveats as applicable.

19. Further guidance on challenges and possible mitigating measures can be found in the OECD/DAC guidance on use of the international evaluation criteria.¹⁵

5. Practical considerations

How should efficiency be integrated into the evaluation scope?

20. Within the evaluation scope and questions, the choice of areas of efficiency to assess should be made based on:
- Relevance and utility to the evaluation questions and evaluand
 - Feasibility e.g. data availability.

¹⁵ OECD (2021), *Applying Evaluation Criteria Thoughtfully*, OECD Publishing, Paris.

21. Under each dimension of efficiency (except cost-effectiveness), evaluation designs should include all the relevant lines of inquiry to ensure a comprehensive approach. Trade-offs between efficiency dimensions and other aspects such as effectiveness and humanitarian principles should also be built into the evaluation questions; and these should also seek to identify explanatory factors for any gaps in efficiency, such as delays in delivery (Why? questions)

At what phase of the evaluation should the evaluation team assess efficiency?

22. **Inception phase:** Based on the draft Terms of Reference, the evaluation team should confirm, through inception-phase desk review and discussions with the CO and Regional offices where relevant, the lines of enquiry that will be most useful to assess the identified dimensions of efficiency. This will help ensure that there is sufficient time to gather and analyze the data and enable planning for field enquiry with the country office and other relevant stakeholders during the data collection phase of the evaluation. The evaluation team, as part of the evaluability assessment, should verify what sources exist for quantitative and qualitative efficiency data, and how reliable and accessible these are. Some data can already be collated by the OEV Research Analyst from WFP global systems, while some may be available at country level rather than on corporate systems (e.g. Supply Chain data).
23. **Data collection phase:** It is recommended that the evaluation team analyses the quantitative efficiency data as early as possible, either before or in the very beginning of the data collection phase, so that they can use interviews with relevant stakeholders and further desk review to fill gaps and find explanations for efficiency results, trends and patterns. If the quantitative analysis is only done after the field mission / interviews have been completed, there will be much less opportunity to go back to the relevant stakeholders for additional information and explanations. When an efficiency issue is raised for the first time during the data collection phase, e.g. by an external stakeholder, the evaluation team should consider whether to pursue data collection and analysis on the issue.
24. **Analysis and reporting phase:** Findings on efficiency should be aligned to the defined dimensions (timeliness, economy, operational efficiency) of efficiency and lines of inquiry. The main causes and consequences of WFP's efficiency should be discussed, ensuring an appropriate balance between description and analysis. Quantitative data should be presented as much as possible in the form of tables and figures. If the team has prepared a very detailed analysis of efficiency or large tables, this could be presented in the annex of the report. Explanatory factors should be included to present a rounded and contextually-grounded assessment, and any trade-offs with other aspects, such as effectiveness and humanitarian principles, should be analysed and explained.

Internal audits

25. Areas of analysis or lines of enquiry suggested above may also be considered by internal audits. However, while the focus of audits is on processes and compliance, the focus of the evaluation should be on efficient delivery of results.
26. If a recent internal audit was conducted of the Country Office, the evaluation team should make use of the data to inform the evaluation's analysis of efficiency, and avoid duplicating the data collection and analysis from which the audit findings are drawn.
27. If the audit mission is planned with relatively close timeline to the CSPE, as per standard co-operation between the Internal Audit and OEV, a discussion should take place between the Evaluation Manager and the Audit Manager during the CSPE inception phase to discuss complementarities between the audit and the evaluation, and avoid any forms of duplication or overlap. The CSPE inception report should be shared with the Office of Internal Audit for information.

Annex 1: Bibliography

Dhaliwal et al. (2011), Comparative Cost-Effectiveness Analysis to Inform Policy in Developing Countries: A General Framework with Applications for Education, Abdul Latif Jameel Poverty Action Lab (J-PAL), MIT.

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Annex 2: Abbreviations

APP	Analysis Planning and Performance
CEQAS	Centralized Evaluation Quality Assurance Framework
CP	Cooperating Partner
CPB	Country portfolio Budget
CO	Country Office
CSP	Country Strategic Plan
CSPE	Country Strategic Plan Evaluation
EQAS	Evaluation Quality Assurance System
GCMF	Global Commodity Management Facility
HQ	Headquarter
KII	Key Informant Interview
KPI	Key Performance Indicator
LESS	Logistics Execution Support System
OECD/DAC	Organization for Economic Co-operation and Development/Development Assistance Committee
OEV	Office of Evaluation
WFP	World Food Programme