



Comments from the Federal Ministry for Economic Cooperation and Development on the DEval Evaluation Report “Efficiency in German Development Cooperation – Meta-evaluation and Evaluation Synthesis 2026”

Topic and time frame of the evaluation

In 2026, the German Institute for Development Evaluation (DEval) published a meta-evaluation and evaluation synthesis on aspects of efficiency in German development cooperation. The evaluation covers 698 project (or module) evaluations of a total of 932 interventions carried out by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) and KfW Development Bank (KfW), which were published between 2018 and 2024. In the case of KfW, ex-post evaluations (EPEs) were examined, whilst in the case of GIZ, central project evaluations (CPEs) were examined.

The evaluation had two objectives: firstly, to assess the quality of the efficiency evaluations (meta-evaluation); and secondly, to analyse the findings of the efficiency assessments of development interventions and the factors influencing the findings at the implementation level (evaluation synthesis). The assessment was based on the OECD-DAC evaluation criterion of efficiency, which is rated on a scale of 1 to 6 in German development cooperation.

From its evaluation, DEval has reached the following conclusions

On the quality of evaluation practice (meta-evaluation):

- The requirements for the appropriate application of the evaluation criterion of efficiency are assessed as having been only partially met. Whilst production efficiency (cost-performance ratio) is generally analysed adequately, the evaluation of allocation efficiency

(cost-impact ratio) falls well short of requirements.

- The aspect of the economical use of funds (the principle of economy) is systematically given too little consideration compared to productivity, even though the principle of economy takes priority over productivity according to the Federal Budget Code (BHO).
- The methodological quality is assessed as mostly fulfilled; however, there is a lack of comparative analyses with alternatively designed interventions. The quality of the data set is largely appropriate for production efficiency, but is significantly limited when it comes to allocation efficiency.
- The module evaluations themselves are assessed as being partially efficient. They generate meaningful conclusions, but draw only to a limited extent on data from prior economic analyses.
- In international comparison, German module evaluations perform well overall in terms of transparency and the methods used. Unlike other organisations, GIZ and KfW always assess efficiency as well.

On the efficiency of the measures (evaluation synthesis):

- The evaluations largely rate the measures implemented by GIZ and KfW as efficient: between 2018 and 2024, the efficiency rate stood at 87.2 per cent (a rating score of 3 or better). Technical Cooperation measures were consistently rated more highly than Financial Cooperation measures.

- However, the basis for understanding the efficiency evaluation is limited: neither reports nor characteristics relating to measures or context provide a sufficient basis for interpreting and understanding the efficiency rating.
- There are unintended correlations between the evaluation format (desk-based study versus on-site data collection) and the efficiency rating, which points to possible distortions in evaluation practice.
- In the case of the GIZ-CPE model, higher evaluation quality tends to be associated with a more critical assessment of efficiency, suggesting that evaluations of lower quality may overestimate efficiency.

DEval recommendations and BMZ assessment

DEval has issued eight recommendations addressed to the BMZ, and to GIZ and KfW. The BMZ takes note of these recommendations and assesses them as follows:

- Recommendations 1-4 and 7 (to GIZ and KfW): The BMZ assesses the recommendations regarding the equal weighting of economy and productivity, the greater use of comparisons, increasing the weight given to allocation efficiency, drawing on prior economic analyses and improving the comprehensibility of the efficiency rating through benchmarks as follows: The BMZ generally agrees with the recommendation to take greater account of the principle of economy. At the same time, it should be noted that economy is not a principle in its own right, but rather an integral part of the principle of economic efficiency in accordance with the Federal Budget

Code. Economic efficiency comprises the maximum principle (referred to in this context as the “principle of productivity”) and the minimum principle (the principle of economy); both are inseparable aspects of the same economic activity. Furthermore, it should be noted that the principle of economic efficiency, in its form as the principle of economy, is no longer a priority – unlike at the time of the evaluation.

- Recommendation 5 (to GIZ and KfW): The recommendation to address systematic differences between evaluations that are desk-based studies and evaluations involving on-site data collection is recognised by the BMZ as an important quality assurance objective. There is a need for transparent calibration of assessment practices.
- Recommendation 6 (to the BMZ): The BMZ agrees with the recommendation to examine the criteria for assessing efficiency, which may also lead to these criteria being set out more explicitly.
- Recommendation 8 (to the BMZ): The BMZ agrees with the recommendation to establish an evidence architecture. As part of the implementation of the reform plan “Shaping the future together globally”, the steps necessary for doing this have already been initiated.

The BMZ regards this evaluation as an important basis for the further development of the German development cooperation evaluation system and welcomes the commitment of DEval, GIZ and KfW to evidence-based, impact- and efficiency-oriented steering of development cooperation.

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The complete report “Efficiency in German Development Cooperation – Meta-evaluation and Evaluation Synthesis 2026”

is available for PDF download at

<https://www.deval.org/en/publications>.

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