

IDEV

Independent Development Evaluation
African Development Bank

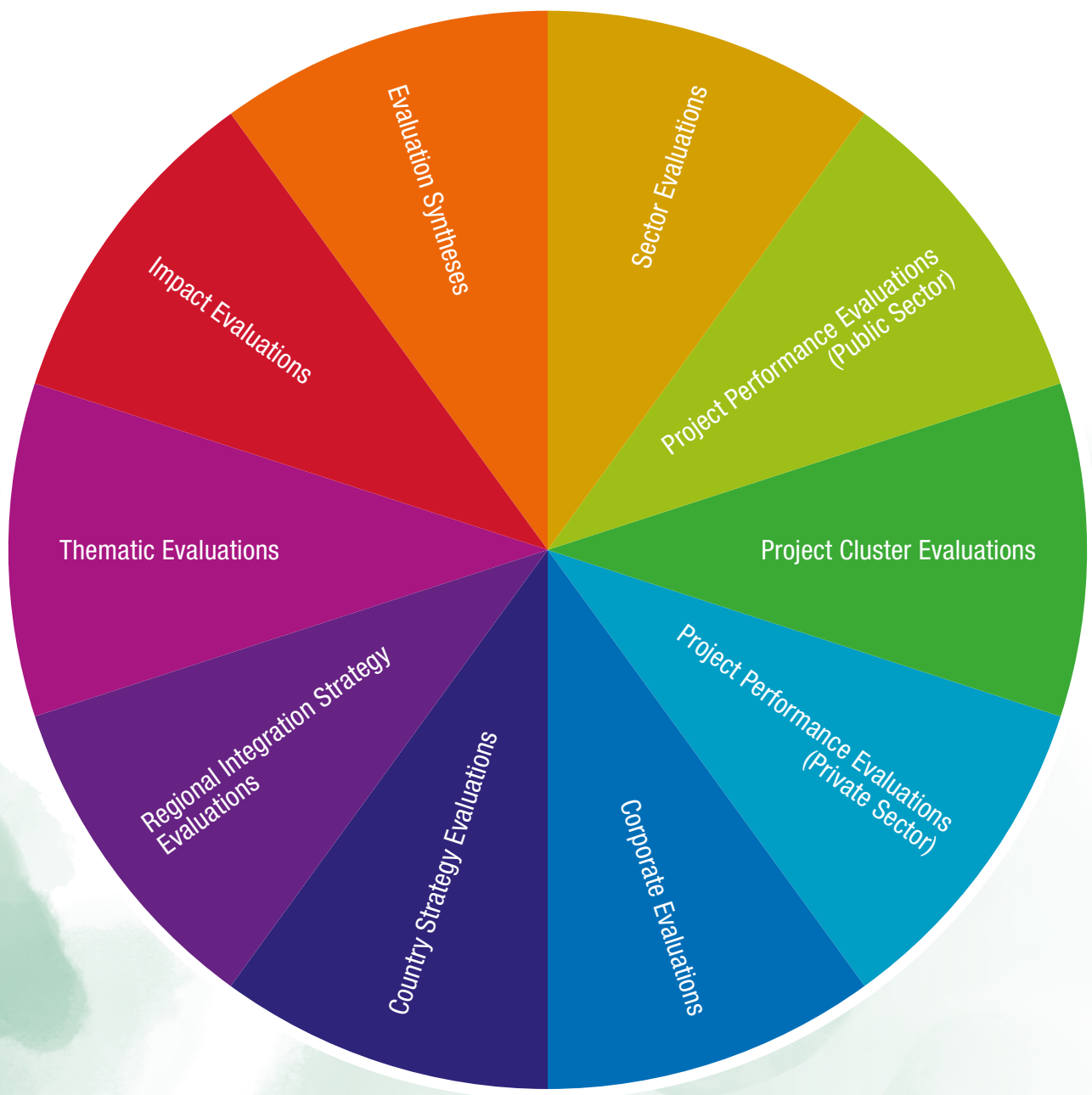
ANNUAL REPORT 2018

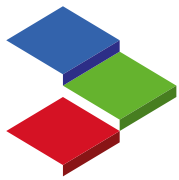
DELIVERING,
ENGAGING AND
RESPONDING



AFRICAN DEVELOPMENT BANK GROUP

IDEV conducts different types of evaluations to achieve its strategic objectives





IDEV

Independent Development Evaluation
African Development Bank

ANNUAL REPORT 2018

DELIVERING,
ENGAGING AND
RESPONDING



AFRICAN DEVELOPMENT BANK GROUP

Acknowledgements

Task manager	Dieter Gijsbrechts, Senior Knowledge Management, Communications and Events Officer
Team members	Grace Gabala, Communications Consultant Aminata Kouma, Evaluation Knowledge Assistant Tomas Zak, Knowledge Management, Communications and Events Junior Consultant
Special thanks to	Ruby Adzobu-Agyare, Secretary Claire Anon-Kouadio, Team Assistant and all other IDEV colleagues who contributed to this Annual Report
Division manager	Karen Rot-Münstermann
Evaluator-General	Karen Rot-Münstermann (Acting)

About IDEV

Independent Development Evaluation (IDEV) is an independent and impartial unit dedicated to enhancing the development effectiveness of the African Development Bank (AfDB) in its regional member countries through:

- independent and influential evaluations
- oversight over self-evaluation processes and products, and
- proactive engagement in evaluation partnerships and knowledge-sharing activities.

All of IDEV's activities are designed to meet the following three key objectives:

1. To provide a basis for accountability: to key stakeholders including citizens, governments, funders and partners, by evaluating and documenting the impact of the AfDB's activities.
2. To contribute to enhanced learning: helping to improve current and future policies, strategies, projects, and processes.
3. To promote an evaluation culture: within the AfDB and in regional member countries to encourage a process of continuous learning and improvement. IDEV has a wealth of experience, expertise, and knowledge from evaluating the AfDB's development projects across Africa.

How does IDEV work with the African Development Bank?

IDEV carries out independent evaluations of Bank operations, policies and strategies, working across projects, sectors, themes, regions, and countries. By conducting independent evaluations and proactively sharing best practice, IDEV ensures that the Bank and its stakeholders learn from past experience and plan and deliver development activities to the highest possible standards. IDEV is also responsible for the oversight of the overall evaluation system within the Bank; the internal and external communication of evaluation findings and lessons; and the promotion of evaluation capacity development.

Disclaimer

Unless expressly stated otherwise, the findings, interpretations and conclusions expressed in this publication are those of the various authors of the publication and are not necessarily those of the Management of the African Development Bank (the "Bank") and the African Development Fund (the "Fund"), Boards of Directors, Boards of Governors or the countries they represent. Use of this publication is at the reader's sole risk. The content of this publication is provided without warranty of any kind, either express or implied, including without limitation warranties of merchantability, fitness for a particular purpose, and non-infringement of third-party rights. The Bank specifically does not make any warranties or representations as to the accuracy, completeness, reliability or current validity of any information contained in the publication. Under no circumstances including, but not limited to, negligence, shall the Bank be liable for any loss, damage, liability or expense incurred or suffered which is claimed to result directly or indirectly from use of this publication or reliance on its content. This publication may contain advice, opinions, and statements of various information and content providers.

The Bank does not represent or endorse the accuracy, completeness, reliability or current validity of any advice, opinion, statement or other information provided by any information or content provider or other person or entity. Reliance upon any such opinion, advice, statement, or other information shall also be at the reader's own risk.

MESSAGE FROM THE CODE CHAIR	I
MESSAGE FROM THE SENIOR VICE PRESIDENT	III
MESSAGE FROM THE ACTING EVALUATOR GENERAL	V

INTRODUCTION 1

DELIVERING EVALUATIVE KNOWLEDGE 3

IDEV DELIVERS A RECORD 15 EVALUATIONS IN 2018	5
---	---

ENGAGING WITH STAKEHOLDERS FOR BETTER EVALUATIONS AND A CULTURE OF LEARNING 23

COLLABORATING WITH BANK OPERATIONS DEPARTMENTS	25
PROMOTING A CULTURE OF KNOWLEDGE SHARING AND LEARNING	28
DEVELOPING CAPACITY AMONG STAKEHOLDERS	35

RESPONDING TO EVALUATION NEEDS, DEMANDS AND CHANGES 41

RESPONDING TO NEEDS AND DEMAND FOR EVALUATIONS	43
RESPONDING TO CHANGES AND CHALLENGES	46

FURTHER STRENGTHENING THE EVALUATION FUNCTION 49

PARTICIPATING IN PROFESSIONAL NETWORKS FOR IMPROVED EVALUATION PRACTICES	51
IMPROVING OUR WAY OF WORKING	53
SELF-REFLECTION ON DELIVERING THE INDEPENDENT EVALUATION STRATEGY	54
INDEPENDENT PEER REVIEW	56

THE ROAD AHEAD 59

ANNEXES 60

ACRONYMS

ADF	African Development Fund
AfDB	African Development Bank
AfrEA	African Evaluation Association
AsDB	Asian Development Bank
APNODE	African Parliamentarians' Network on Development Evaluation
CBFF	Congo Basin Forest Fund
CLEAR	Centers for Learning on Evaluation and Results
CLEAR-AA	Centers for Learning on Evaluation and Results - Anglophone Africa
CODE	AfDB Board Committee on Operations and Development Effectiveness
CoP	Community of Practice
CSP	Country Strategy Paper
CSPE	Country Strategy and Program Evaluation
DBDM	Development and Business Delivery Model
ECG	Evaluation Cooperation Group
EVRD	Evaluation Results Database
FI	Financial Intermediary
GCI	General Capital Increase
GoM	Government of Mauritius
IDEV	Independent Development Evaluation
IES	Independent Evaluation Strategy
IFI	International Financial Institution
IPR	Independent Peer Review
LOCs	Lines of Credit
M&E	Monitoring and Evaluation
MDB	Multilateral Development Bank
NSO	Non-Sovereign Operation
OECD	Organization for Economic Co-operation and Development
OECD-DAC	OECD Development Assistance Committee
PSE	Private Sector Environment
PBO	Program Based Operation
PCR	Project Completion Report
QaE	Quality at Entry
QA	Quality Assurance
RMC	Regional Member Country
RWSS	Rural Water Supply and Sanitation
SDGs	Sustainable Development Goals
UNECA	United Nations Economic Commission for Africa
UNICEF	United Nations Children's Fund
UN-Women	United Nations Entity for Gender Equality and the Empowerment of Women
UWSS	Urban Water Supply and Sanitation

MESSAGE FROM THE CODE CHAIR

The international discourse on evaluation has evolved considerably over the last few decades. Whilst evaluation was initially treated simply as an accountability tool, today it has become a fundamental and indispensable instrument for *learning and decision-making*. As a result, evaluation is now understood as a partnership between evaluators and decision-makers in which they work together to identify the results of development interventions, disseminate them, discuss them, learn from them, and ultimately maximize development impact. This evolution towards learning is also perceptible at the African Development Bank (AfDB or the Bank), where its independent evaluation function (IDEV) is no longer solely seen as an oversight body, but also as a source of knowledge.

2018 saw two particularly pertinent, high-level evaluations carried out by IDEV which informed subsequent decision-making, namely the evaluations of the “AfDB’s Program-Based Operations (PBOs)” and of “Quality Assurance Across the Project Cycle” of the Bank, which have stimulated very important discussions not only at the AfDB Board of Directors, but also in the context of the African Development Fund (ADF)-14 Mid-term Review and the preparatory work for the 7th General Capital Increase (GCI-VII), the negotiations of which will start in early 2019. At the operational level, the PBO evaluation provided a timely assessment of and recommendations on how PBOs could best be used to support macro-fiscal stability and advance policy dialogue and reforms within regional member countries. The evaluation concluded that PBOs are a relevant and effective instrument of cooperation between the Bank and its borrowing countries, but it recommended to strengthen the way in which the Bank conducts policy dialogue and provides technical assistance to reinforce the effective deployment of PBOs.

The *Quality Assurance* evaluation provided a strong basis for institutional learning on the Bank’s overall quality assurance and management system and resulted in Bank Management designing The Quality Assurance Implementation Plan (2019-2021) to strengthen staff skills and quality-related performance across the entire project cycle. This evaluation provided an excellent example of how IDEV’s work can stimulate broader reflections and concerted actions with Management across the entire institution to deliver the level of ambition and development results envisaged in the GCI and ADF replenishment exercises.



Catherine Cudré-Mauroux

Executive Director for Germany,
Luxembourg, Portugal and Switzerland,
African Development Bank Group

2018 was also a rich year in terms of knowledge sharing events and external engagement. During the Evaluation Week on the theme of “Strengthening Development Impact”, IDEV brought together more than 450 people to share their views on Africa’s development challenges as well as the potential of development interventions, but above all on how to measure their impact in order to contribute to the transformation of the African continent and the achievement of the Sustainable Development Goals and the African Union’s Agenda 2063.

Mindful of the need to adapt to meet evaluation needs even better, IDEV conducted several major exercises in 2018, notably the Peer-Review of the Evaluation Function of the AfDB and the Self-assessment of the implementation of the Bank’s Independent Evaluation Strategy (2013-2017)¹. Both these exercises confirmed that the Bank’s approach to evaluation is in line with international best practices, but that there is potential to further enhance the *utility, use and quality of evaluations*. In its role of “guardian” of the independence of the Bank’s evaluation function and the implementation of its recommendations, the AfDB Board attaches a particular importance to these issues.

The Evaluation Department is currently in transition, with the departure of its former Evaluator General, Mr. Rakesh Nangia, and the ongoing recruitment of his replacement. During the transition period, the department is under the responsibility of Ms. Karen Rot-Münstermann, the Acting Evaluator General, whom we thank for her strong commitment. The department continues to deliver its work program, and has proposed a new three-year Work Program for 2019-2021. Strategic reflections on the Bank’s positioning and approach to evaluation will continue in 2019. These reflections will undoubtedly also be influenced by the results of the ongoing discussions by the Organization for Economic Co-operation and Development (OECD) Development Assistance Committee (DAC) on the criteria for evaluating development assistance, which serve as a reference for all bilateral and multilateral actors.

Continuous improvement of the effectiveness and relevance of IDEV’s work with regard to conducting independent evaluations, sharing evaluative knowledge and responding to special requests, e.g. facilitating the ongoing evaluation of the implementation of the Development and Business Delivery Model (DBDM) of the Bank, require the AfDB Board to ensure that IDEV is *adequately resourced (in staffing and budget), its independence and relevance safeguarded, and its impact on the Bank’s results recognized*. This is also a critical prerequisite for promoting a culture of evaluation and learning at the Bank. ●

¹ idev.afdb.org/en/document/idev-strategic-directions

MESSAGE FROM THE SENIOR VICE PRESIDENT

Africa's real GDP grew by 3.5% in 2018 and is forecast to grow by 4.1% in 2019. The strong economic growth is a result of massive investments in infrastructure, improvements in the investment climate, the recovery in commodity prices and increased domestic demand, amongst other factors. However, certain challenges remain, such as high levels of underemployment and unemployment, especially among the youth, low levels of agricultural production, insecurity and inadequate infrastructure. By focusing on its five operational priorities known as the High 5s, the African Development Bank Group (the Bank) is supporting Regional Member Countries (RMCs) in addressing these challenges.

Bank Management is making progress in the implementation of the reforms under the Bank's Development and Business Delivery Model (DBDM), which aims to enhance the Bank's overall operational efficiency and effectiveness. Management revised the Delegation of Authority Matrix in line with the increasing Bank Group footprint in regional and country offices. This is enabling officers in the Bank's Regional and Country Offices to respond faster to clients. Portfolio management and process efficiency indicators have improved. For example, the proportion of operations flagged for performance challenges decreased from 36% in December 2017 to 23% in December 2018, and the lapse of time for the procurement of goods and works decreased from 8.2 months to 6.5 months over the same period. The implementation of recommendations from the independent evaluations carried out by IDEV has contributed to these achievements. The actions taken by Management in response to such recommendations include enhanced capacity building and training of staff in Project Implementing Units and Executing Agencies, and also close portfolio monitoring and supervision.

Africa's development challenges are huge; so are the financing needs. To help Africa surmount these challenges, the Bank remains committed to excellence in all aspects of its operations. Continuous learning and improvement are necessary conditions for the drive towards excellence.



Charles O. Boamah

Senior Vice-President,
African Development Bank Group

The findings, lessons and recommendations from evaluations continue to be rich sources and opportunities for learning and improvement. Accordingly, the timely implementation of actions to address evaluation recommendations is a matter of prime importance for Management, as monitored in the Management Action Record System. In that regard, I am happy to report that the percentage of completed actions has doubled from 32% in September 2017 to 65% in February 2019. Further progress is expected in the coming months. Specifically, Management has embarked on an integrated 10-point Quality Assurance Implementation Plan, in response to the recommendations from IDEV's evaluations of the Quality at Entry and Quality of Supervision and Exit of Bank Group operations.

The actions described above represent a win for all stakeholders. Funders and other development partners of the Bank Group get value-for-money from an institution committed to delivery and accountability. Client countries benefit from more impactful and transformational projects. Management and staff enjoy the benefits of a learning, growing and vibrant organization. The independent evaluation function is intimately woven into the fabric of the African Development Bank and will continue to help the Bank improve its development efficiency and effectiveness. ●

MESSAGE FROM THE ACTING EVALUATOR GENERAL

In a year that evaluation and evaluators worldwide were called upon to “speak truth to power”, to contribute to more resilient societies, to promote evidence-informed decision-making, and to help strengthen development impact, I am proud to share how Independent Development Evaluation (IDEV) at the African Development Bank (AfDB or the Bank) contributed to the achievement of these goals, by delivering evaluative knowledge, engaging with stakeholders, and responding to needs and demand.

IDEV started the year facing a number of challenges, notably having to operate in an institutional environment that was undergoing multiple substantive changes, with a reduced team due to staffing shortages. In addition, at the end of August, the Evaluator General retired and left the Bank. Yet the department managed to navigate the changes, fill nearly all the vacancies, and work with the Board of Directors, Bank Management and operations departments, and external partners to successfully continue fulfilling its mandate.

In 2018 IDEV delivered 15 evaluation products, the 12 foreseen in our 2018 work program plus the three we missed in 2017. Among the most notable were the suite of three “Quality” evaluations, of the Quality at Entry of Bank Group Operations, the Quality of Supervision and Exit of Bank Group Operations, and Quality Assurance Across the Project Cycle, as well as the thematic evaluation of the Bank’s Program-Based Operations (PBOs), informed by two cluster evaluations, of PBOs in energy and the private sector environment. Both the “Quality” evaluations and the PBO evaluation were presented not only to the AfDB Board of Directors, but also to the ADF-14 Mid-Term Review Meeting and had a strong impact on the Bank’s work in these areas – informing for example Management’s proposed Quality Assurance Implementation Plan.



Karen Rot-Münstermann

Acting Evaluator General,
African Development Bank Group

IDEV also delivered innovation in 2018, introducing a new product. The first mid-term evaluation, of the Bank's Country Strategy and Program (CSP) in Guinea-Bissau, was presented to the Board alongside Management's own mid-term review of the CSP. This type of evaluation turned out to be of strong interest not only due to its fragility component, but also because it assembled lessons and recommendations with the potential to improve the implementation of the CSP's second phase, as well as inform the preparation of the next CSP. The Mid-Term Evaluation was appreciated by Board members, who encouraged us to continue undertaking such work.

Strengthened engagement with stakeholders throughout the evaluation process was another key feature of 2018, to ensure that our evaluations respond to stakeholders' knowledge needs and to promote uptake and learning from evaluations. Such engagement is crucial to ensure that the design and implementation of policies, strategies, operations and processes are informed by evidence and to enhance their potential for achieving greater development effectiveness, while leaving no one behind. President Adesina has repeatedly underlined the importance of learning from evaluations, and IDEV played its part by increasing its efforts to ensure that the knowledge emanating from its evaluations, is shared, discussed and taken on board by the Bank's Management and operations staff. We organized the first series of capitalization workshops with Bank sector departments, where operations staff and evaluators discussed evaluation findings and recommendations to draw lessons learned (what worked, what did not work and why) in order to guide future activities of the Bank.

IDEV also engaged with stakeholders outside the Bank, by broadly disseminating its work and knowledge, holding webinars and workshops, and participating in international conferences and events, thereby building relationships across the globe. The AfDB Development Evaluation Week attracted more than 450 participants and 30 international experts to Abidjan, where they discussed and shared ideas on how evaluations and results can help strengthen the impact of development interventions under Agenda 2030 and Agenda 2063. We also continued to support evaluation capacity on the African continent, particularly through home-grown initiatives such as the African Parliamentarians' Network on Development Evaluation and the Twende Mbele peer learning government partnership.

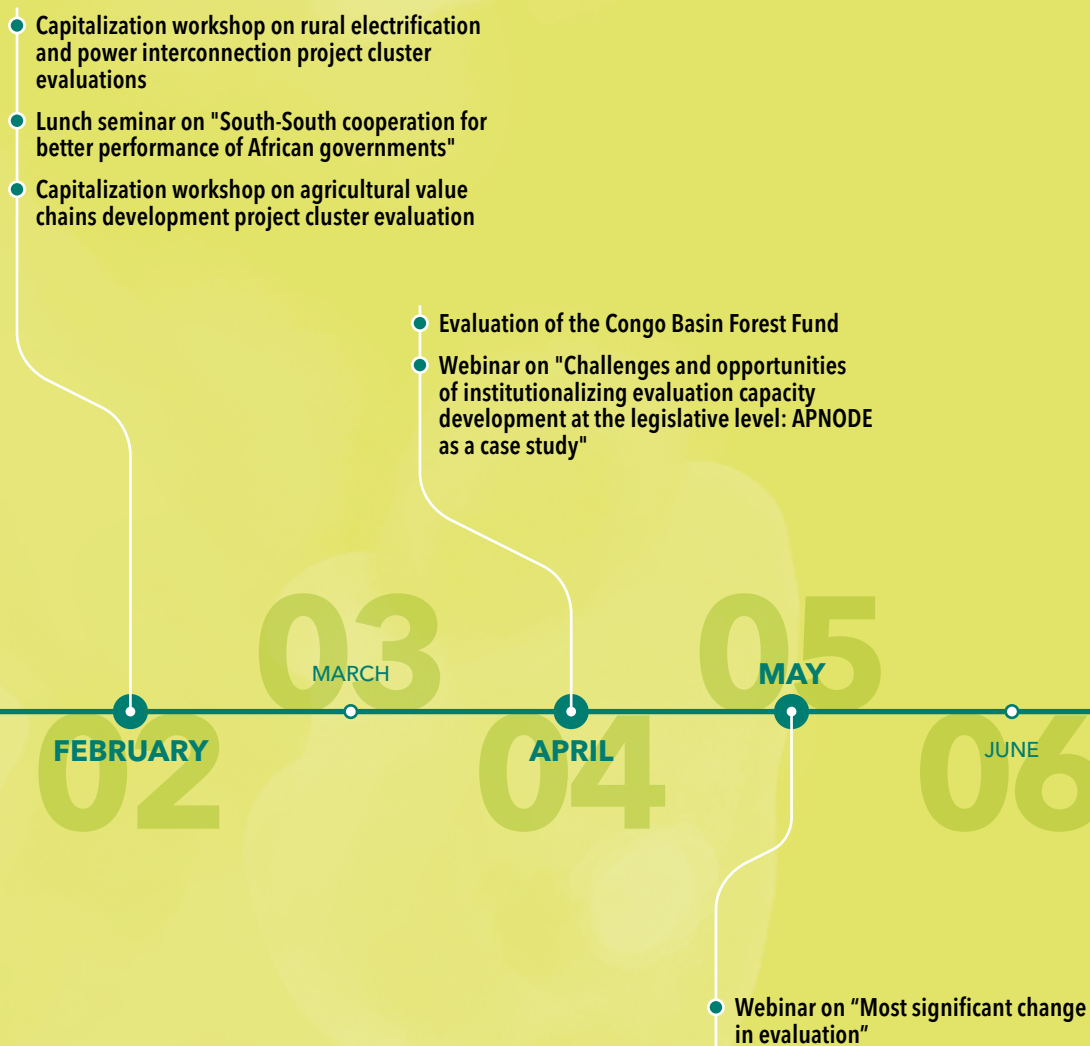
IDEV was responsive to expressed knowledge needs and increased demand for evaluation, adding evaluations to its work program and expanding the scope of others. The evaluation of the Congo Basin Forest Fund, the three "Quality" evaluations, and the evaluation of the Middle-Income Countries Technical Assistance Fund (ongoing) are examples of this. It also responded to an unusual call from the Governors of the AfDB to facilitate an independent evaluation of the implementation of the Bank's Development and Business Delivery Model, which will inform the General Capital Increase and ADF replenishment discussions in 2019.

We prepared for 2019, which marks the start of a new work program period, by undertaking a self-assessment of the implementation of the Independent Evaluation Strategy, commissioning an external assessment of the quality of our evaluation products, and undergoing an Independent Peer Review by members of the Evaluation Cooperation Group. The lessons and recommendations from these assessments will help to further strengthen our evaluation function. They also informed the proposed Work Program for 2019-2021, which we presented to the Committee on Operations and Development Effectiveness (CODE) in November, and will nourish a CODE discussion on the strategic directions for IDEV in early 2019.

All this would not have been possible without the boundless dedication and efforts of the whole IDEV team, staff and consultants alike. Learning from and supporting each other, they took the challenges in their stride and simply continued to deliver their high-quality work, despite sometimes difficult circumstances. For this I express my deep appreciation and respect. I am also very grateful to the CODE Chair and Vice Chair, Executive Directors Cudré-Mauroux and Obam Nlong, and to AfDB Senior Management for their strong support during the transition period.

Looking ahead to 2019, IDEV expects a fruitful year, delivering the 18 ongoing evaluations and starting a new Work Program. The team is also eager to warmly welcome the new Evaluator General and management team. Working together with the Board and Management, we will ensure that IDEV continues to contribute to a stronger AfDB whose work improves the lives of people in Africa. ●

IDEV 2018 TIMELINE



- Evaluation of AfDB's Program Based Operations
- Evaluation of the Cabo Verde Country Strategy and Program
- Cluster evaluation of urban water and sanitation projects
- Cluster evaluation of rural water and sanitation projects
- Evaluation of the Malawi Country Strategy and Program
- Comparative study of sanctions systems across MDBs
- Mid-Term evaluation of the Guinea Bissau Country Strategy

- Evaluation of quality assurance across the AfDB project cycle
- Evaluation synthesis of Lines of Credit

- Knowledge event on lessons learned from the Congo Basin Forest Fund

JULY

SEPTEMBER

NOVEMBER

AUGUST

OCTOBER

DECEMBER

- AfDB Development Evaluation Week 2018, including:
 - Knowledge café on "Evaluations for greater impact in Bank operations"
 - Professional capacity development workshop on gender and evaluation
 - Discussion on the OECD-DAC evaluation criteria
- Cluster evaluation of PBOs in the energy sector
- Cluster evaluation of PBOs in private sector environment
- Capitalization workshop on PBOs in energy and private sector environment
- Evaluation of the quality at entry of AfDB Group operations
- Evaluation of the quality of supervision and exit of AfDB Group operations

- Evaluation of the Mauritius Country Strategy and Program



INTRODUCTION

While 2018 saw positive economic growth for many African countries, translating this growth into sustained and inclusive development which improves the lives of their citizens is challenging and will require significant socio-economic transformation. Many African countries on this path struggle with developing measurable, relevant outcome indicators, monitoring them and using that information to make adjustments. In order to successfully drive transformation, governments need credible, effective monitoring and evaluation tools that enable them to learn from successes and failures.

In supporting the African transformation agenda, multilateral development institutions such as the African Development Bank (AfDB or the Bank) understand the need to be innovative, flexible and responsive to fast-changing realities and clients' needs. Central to their ability to respond to needs and to effect positive change, is the capacity to review and learn from experience, and to subsequently adjust and improve policies, processes and programs in a culture of evaluation, learning and results. Independent Development Evaluation (IDEV) supports the Bank's capacity to learn from what has worked, what has not, and why, in order to strengthen its development interventions in its member countries.

This year's Annual Report focuses on how IDEV delivered evaluative knowledge; engaged with Bank operations departments, stakeholders and partners to strengthen its products and build a culture of evaluation within the Bank and in African countries; and responded to evaluation needs, demand and changes. It also highlights how IDEV continued to strengthen the evaluation function, including undergoing a self- and an external assessment, in order to draw lessons and further improve the quality and impact of its work.

IN 2018, IDEV DELIVERED 15 EVALUATION PRODUCTS:



2 project cluster evaluations

of water supply and sanitation service delivery, in the **rural** setting and in the **urban** setting



2 cluster evaluations

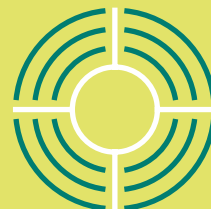
of Program Based Operations in the **energy** sector and in **private sector environment**



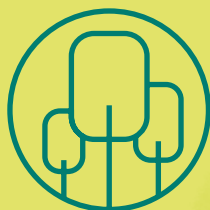
3 Country Strategy and Program Evaluations of Cabo Verde, Malawi, and Mauritius

1 mid-term evaluation

of the **Guinea-Bissau** Country Strategy and Program



1 thematic evaluation of Program-Based Operations



1 thematic evaluation of the Congo Basin Forest Fund



A suite of **3 corporate evaluations**
of quality at entry, quality of supervision and at exit, and
quality assurance across
the project cycle of AfDB Group operations



1 evaluation synthesis of Lines of Credit



1 comparative study
of **sanctions systems** across Multilateral Development
Banks

DELIVERING EVALUATIVE KNOWLEDGE

As an independent unit tasked with enhancing the development effectiveness of the Bank, delivering and sharing evaluative knowledge is a core activity of IDEV and its *raison d'être*. IDEV conducts independent evaluations of the Bank's policies, strategies, processes and operations and proactively shares good practices. This is to ensure that the Bank and its stakeholders learn from experience to plan and deliver development results to the highest possible standards. These evaluations also provide a basis for accountability to key stakeholders including citizens, governments, funders and partners, by evaluating and documenting the impact of the Bank's activities.

IDEV delivered a record number of evaluation products in 2018, in a shifting and at times challenging environment (see the section "Responding to changes and challenges").





*Baixo Limpopo Irrigation and
Climate Resilience Program,
Madagascar*

IDEV DELIVERS A RECORD 15 EVALUATIONS IN 2018

The genesis of the knowledge that IDEV provides to improve the Bank's impact, as well as help keep the Bank accountable, are the evaluations and related studies carried out by the IDEV team. These evaluations are conducted in line with international evaluation quality standards and guidelines, and good practices at other development agencies, in order to ensure their quality, accuracy, and usefulness.

In 2018, IDEV delivered more evaluation products than ever before, covering a wide range of the Bank's work. IDEV completed 12 evaluations that were in its 2018 work plan, plus an additional 3 that were originally part of the 2017 work plan.

Four Cluster Evaluations

Cluster evaluations examine a group of similar or related interventions within a sector or theme in order to extract broader lessons. The key evaluation questions focus on the extent to which the selected interventions were relevant, effective and efficient, and to which extent their benefits are likely to be sustainable. The reports synthesize the results and draw relevant lessons for the design and management of future AfDB interventions. IDEV completed four cluster evaluations in various sectors, including two evaluations of Bank projects to support **water supply and sanitation**, one in urban and the other in rural areas; one evaluation of **energy-related Program Based Operations (PBOs)** at the Bank; and one evaluation of PBOs focused on the **Private Sector Environment**. The findings and lessons of the latter two were incorporated into a wider thematic evaluation of the Bank's PBOs (see the next pages).

Scaling up service delivery in Urban Water Supply and Sanitation

The purpose of this cluster evaluation was to assess the relevance, effectiveness, efficiency and sustainability of Urban Water Supply and Sanitation (UWSS) projects and to draw lessons from what worked and what did not work. 15 UWSS projects approved and implemented in 12 different countries over the period 2001–2016 were evaluated. The evaluation found that these projects were sufficiently relevant, but the project designs had weaknesses. The projects resulted in good outputs, but delivered an uneven performance in improving access to sustained, high quality water supply and sanitation services (outcomes). While suffering long implementation delays, overall the projects were estimated to be economically viable and their benefits were deemed sustainable.

Snapshot of lessons:

- Good project design requires a sound preparatory phase, with adequate and updated feasibility studies. Taking an integrated water cycle and sanitation value-chain approach is useful.
- Only use “state-of-the-art” technologies in urban water supply and sanitation projects if they meet the needed requirements and there is adequate availability of spare parts and relevant expertise.
- Addressing the shortcomings in the water utilities is a prerequisite to sustainable benefits.
- Projects that include wastewater, sludge and solid waste treatment plant components need systematic mainstreaming of in-depth environmental and social impact assessments.
- Projects need to address service delivery and behavioral change issues if they are to maximize the impact of the infrastructure built.

Towards a service delivery approach to Rural Water Supply and Sanitation

The main objective of this cluster evaluation was to draw pertinent lessons for policy and practice for designing and implementing Rural Water Supply and Sanitation (RWSS) projects. A total of 16 projects across 13 countries, approved and implemented over the period 2000–2017, were evaluated.

The evaluation found that the projects were relevant, with some weaknesses in their design. Although the output of the projects was generally seen as strong, there was less output in the sanitation than in the water components. There were some delays to implementation, and the sustainability of sanitation facilities was found to be lower than for the water supply infrastructure.

Snapshot of lessons:

- To minimize implementation challenges, projects should pay sufficient attention to design studies, procurement-related issues, and capacity.
- Projects need clear strategies to address poor service delivery, weak sanitation infrastructure and inadequate behavioral change.
- Capacity development for service delivery is needed in both the private and public sectors, at all levels of implementation.
- Comprehensive monitoring and supervision systems of rural service delivery and sustainability are critical.

Cluster evaluation of energy-related Program Based Operations

Another cluster evaluation examined eight energy-related Bank PBOs approved and implemented in five countries (Angola, Burkina Faso, Comoros, Nigeria and Tanzania) between 2012 and 2017. PBOs are budget support instruments that the AfDB uses to provide funds directly to a country's treasury in support of the national budget. Additionally, PBOs are expected to support general economic and financial or sector-specific reforms in the country.

The evaluation found the energy-related PBOs to be relevant, with satisfactory overall quality in four of the five countries. The mechanisms also performed well in terms of timeliness of disbursements, transaction costs, and quality of donor coordination. Weaknesses were however detected in: (i) the quality of PBO design – notably in the results frameworks, (ii) the absence of a strong medium-term perspective both in the PBO design itself as well as the supporting arrangements for dialogue and technical assistance, and (iii) the ambiguity over the role of PBO funds in the achievement of PBO objectives.

Snapshot of lessons:

- Structuring PBOs as medium-term operations, based on 3–4 tranches over the same number of years, and as part of a sequence of multi-year PBO operations, seems to be the best model.
- The contribution to fiscal space is the most obvious benefit of PBOs and should therefore be used strategically to ease structural constraints in support of longer term reforms. PBOs can usefully create a “bridge” between short-term macro relief and medium-to-long term structural reform.
- Sustainable results are achieved by building upon a well-established program of reform, to which the Bank has contributed over a number of years through investment lending, technical assistance and policy dialogue.
- For successful medium-term operations, the corresponding staffing and technical assistance infrastructure also need to be in place.

Cluster evaluation of PBOs focused on the Private Sector Environment

The fourth cluster evaluation completed in 2018 examined nine PBOs focused on the Private Sector Environment (PSE), implemented in five countries (Egypt, Ghana, Mali, Morocco and Seychelles) over the period 2012–2017.

Overall, the PBO instrument was found to be relevant to strengthening PSE and governance related reforms. The quality of PBO mechanisms was more mixed. The programming, timeliness of disbursements, and transaction costs scored well in the evaluation, but policy dialogue and coordination with other Development Partners were found satisfactory in only two cases. PBO design and delivery were also found to suffer from several weaknesses, notably: (i) the absence of a strong medium-term perspective, (ii) insufficiently prioritised results frameworks, and (iii) over-ambitious objectives. Weaknesses in the provision of technical assistance were also detected, partly explaining some limitations in the policy dialogue.

Snapshot of lessons:

- Creating a conducive private sector environment starts with ensuring a stable macroeconomic context, strengthening public sector governance (including procurement rules) and improving access to key (e.g. energy) infrastructure.
- The medium to long-term nature of deep structural economic transformation has not been sufficiently taken into account in PBO design and programming.
- The case studies show tangible evidence that the AfDB has managed to seize opportunities created by the PBO instrument in key areas of reform.
- All case studies highlighted the importance of collaborative efforts to help governments to implement complex reforms in key structuring areas.

“ The AfDB’s investments in multi-country power interconnection projects are vital to facilitating mutually beneficial power trade, and transition to green and inclusive growth across Africa. The complexity of these projects and the large scale investments required call for comprehensive, evidence-based project design. IDEV’s evaluations provide important practical lessons and recommendations for our future project designs and approaches. The lessons learned from IDEV’s cluster evaluation of power interconnection projects, including comprehensive risk analysis and mitigation measures, as well as tariff adjustment mechanisms in order to ensure high development impact and sustainability, are very helpful in this regard. ”

Henry Paul Batchi Baldeh, Director Power Systems Development

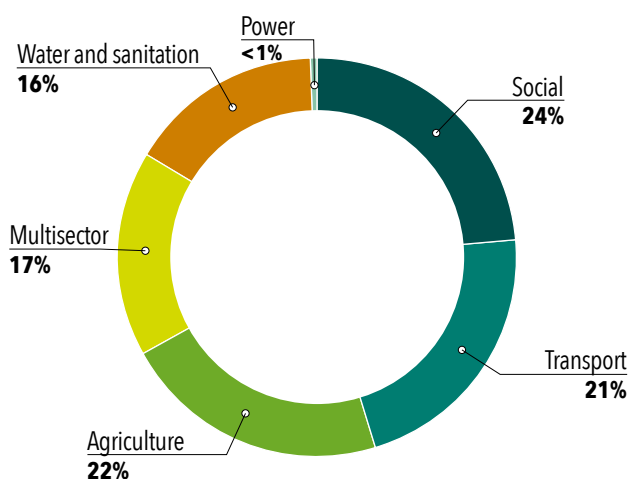
Three Country Strategy and Program Evaluations

Country Strategy and Program Evaluations (CSPEs) hold the Bank accountable for its performance and the results achieved in a certain country over a period of time, and are tailored to inform the design of new Country Strategy Papers (CSPs) based on the findings, lessons learned and recommendations. In 2018, IDEV delivered evaluations of the AfDB’s country strategies and programs in Malawi, Cabo Verde and Mauritius.

Evaluation of the Bank’s Country Strategy and Program in Malawi

This evaluation examined both strategic and individual interventions in all sectors where the Bank was active during 2005-2016 (Social, Transport, Water and Sanitation, Agriculture, Multisector – Financial Governance, and Private Sector Development). In addition to the standard evaluation criteria of relevance, effectiveness, sustainability, and efficiency, the evaluation looked

AfDB commitments by sector in Malawi (2006-2016)



Source: AfDB data

“The Evaluation of the Malawi Country Strategy and Program undertaken by IDEV provided very valuable lessons, which were incorporated in the design of the new Country Strategy Paper for Malawi for the period 2018–2022. Considering that three evaluation ratings concerning Sustainability, Efficiency and Managing for Results were rated unsatisfactory, the lessons and recommendations were highly welcome and will continue to greatly influence and inform the design of new operations in Malawi. For the operations designed after the IDEV evaluation and following the approval of the Malawi CSP 2018–2022, the lessons learnt and recommendations have fully been incorporated in the designs.”

Frank Mvula, former Country Manager, Malawi Country Office

at cross-cutting issues such as gender inclusiveness and environmental sustainability, as well as knowledge management, partnership, leverage and results management.

The evaluation deemed most aspects of the strategy satisfactory, in particular its relevance to Malawi's development needs. It found a satisfactory level of performance in terms of achievement of both outputs and outcomes. However, the Bank's interventions were associated with delays, largely due to non-compliance with the Bank's operational standards and country capacity constraints. Sustainability was also found to be unsatisfactory – none of the completed projects under review had reached a post-closure period of 5 years, which made assessment of actual sustainability challenging. The evaluation found that inclusiveness across gender, regions, and environmental sustainability had been satisfactorily mainstreamed into Bank interventions.

Snapshot of recommendations:

- Enhance the capacity of the Bank's officers and managers in using Results-based Logical Frameworks and Results-based Management tools.
- Enhance the proficiency of the Bank's staff to effectively operate in the business ecosystems in which key sector actors operate, and to design interventions that are holistic enough to stimulate the private sector's investment and actions.
- Establish a clear timeline within which all required performance standards are met and proven.
- Redesign the Bank's Knowledge Management practices and develop explicit as well as implicit knowledge in its Operations Divisions to improve the decision making capabilities of the Bank and its clients.
- Take concerted actions throughout the project cycle to ensure sustainability of interventions.
- Ensure that interventions and strategies provide equality and equity between genders and provide the means to manage, track and report on these objectives.



*Watershed management
project in Cabo Verde*

Evaluation of the Country Strategy and Program in Cabo Verde

This CSPE covers the period 2008-2017 and provides an assessment of development results and key lessons. The evaluation provides a set of forward-oriented, operational recommendations to help the Bank improve its future performance in Cabo Verde.

The evaluation found that the CSP was well aligned with national development priorities and AfDB corporate priorities, with the exception of regional integration. While outputs were well achieved, outcomes were more difficult to attain for the three areas of Bank intervention (governance, infrastructure, and agriculture/water management). In some cases, this was related to the weak synergies among the pillars of the CSP. Effective partnerships were critical to the Bank's support to Cabo Verde, allowing for investment financing requirements to be met. However, severe delays negatively affected the implementation of infrastructure operations and the Trust Fund grants that should complement the governance (budget support) operations. The evaluation also found that the country strategies incorporated a good analysis of factors that would likely affect program sustainability, but failed to implement sufficient mitigation measures.

Snapshot of recommendations:

- The new CSP should identify ways to maximize synergies across its strategic pillars. It should also put more emphasis on project quality and sustainability.
- The Bank should agree with the national authorities on the strategic results to be achieved, and track these regularly. It should strengthen its in-country presence for policy dialogue.
- Scale-up interventions in favor of micro, small and medium-sized enterprises, and reforms to boost employment and to make the growth process more inclusive.
- Make watershed management programs more sustainable by integrating agricultural value-chain development and mainstreaming climate change adaptation and mitigation.

“ The only way to be sure that you are walking straight is by looking at a trail behind you. Lessons learnt are powerful tools to reduce long run cost. The evaluations of the Malawi Country Strategy and Program as well as the Mauritius Country Strategy and Program have helped to improve the quality of the Bank’s engagement with these countries through CSPs and country dialogue. The countries I represent have well-performing portfolios due to good designs that take into consideration IDEV evaluation recommendations. ”

Patrick Zimpita, Executive Director for Botswana, Malawi, Mauritius and Zambia

Evaluation of the Country Strategy and Program in Mauritius

The purpose of the evaluation was twofold: Firstly, it assessed the extent to which the planned development results from the Bank’s key interventions in Mauritius have been achieved and the reasons for their achievement or lack thereof. Secondly, it provided recommendations to inform the next Country Strategy for Mauritius.

The evaluation found that the Bank’s assistance to Mauritius was relevant and sustainable overall, with few shortcomings. However, its effectiveness and efficiency were unsatisfactory. The evaluation found that the Bank faced challenges related to the low use of resources available to the country. This is partly due to the fast-changing environment and the reluctance of the country to rely on sovereign loans. This meant that the effectiveness of the AfDB’s strategies over the evaluation period presented a mixed picture and most of the projects faced implementation delays. Furthermore, the evaluation found that the Bank’s policy dialogue and advisory services did not meet the Government’s expectations, and the country faced some challenges regarding the crosscutting issues, mainly gender.

Snapshot of recommendations:

- When designing the Bank’s strategy, consider various scenarios depending on the country’s willingness to use available resources.
- Adopt a programmatic approach to PBOs to allow the Bank the flexibility to adjust to the country’s changing environment, and to devise alternative instruments and adequate resources to enable it to respond effectively and rapidly to the expectations of the country.
- On private sector development, consider suitable financing mechanisms including partial risk guarantees, loan syndication and private equity participation in Mauritian firms that have investments in the country.
- Mainstream crosscutting issues into the design and implementation of the new country strategy.

One Mid-Term Evaluation, a first for IDEV

IDEV delivered its first ever mid-term evaluation, that of the AfDB **Country Strategy and Program in Guinea-Bissau** for the period 2015–2019. Implemented in a context of fragility, the CSP aims to contribute to national stability and economic recovery, through two pillars: strengthening the foundations of the State and building infrastructure that promotes inclusive development. The main objective of the mid-term evaluation was to assess the performance of the first phase of the CSP (2015–2017) and to seek

Guinea-Bissau Mid-Term Evaluation

The main objective of the mid-term evaluation was to assess the performance of the first phase of the Bank's Country Strategy Paper (2015-2017) and to seek lessons that could inform both the implementation of the second phase, as well as the preparation of the next Country Strategy.



lessons that could inform both the implementation of second phase as well as the preparation of the next CSP.

The relevance of Bank action was deemed generally adequate in terms of its response to Guinea-Bissau's development needs and challenges. However, this relevance was undermined by weaknesses that include limited selectivity in the choice of Bank operations; limited scope of operations; and poor quality at entry. In terms of effectiveness, the expected mid-term outcomes of the CSP were not achieved. The evaluation also found that the implementation of the program so far has not been efficient. The sustainability of the interventions was found to be unsatisfactory, together with that of the related benefits after project completion.

Given the formative² nature of the evaluation, and the fact that most operations were still ongoing, there is a probability that these operations may achieve improved results if the country remains politically stable and the Bank improves the management of its portfolio.

Snapshot of recommendations

- The Bank should adapt its assistance to suit the particular context of Guinea Bissau. Such a country-specific strategy should entail enhanced understanding and management of risks to enable realistic planning, and sufficient financial resources and technical expertise on a longer time horizon for the country.
- The Bank should improve the quality of its portfolio in Guinea-Bissau, increase its presence, and show innovation in the next CSP by adopting a program-based approach.
- A results-based approach should be developed to address capacity gaps in the country.

² A formative evaluation is an assessment of an ongoing intervention. In contrast to a summative or ex-post evaluation, which provides ratings of performance and is used for accountability, a formative evaluation is used for learning purposes. It provides lessons and recommendations to improve implementation during the remainder of the intervention period.

Two Thematic Evaluations

IDEV's thematic evaluations examine broader strategic issues and constitute a central feature of the Bank's knowledge output. These products help IDEV align to the priorities in the Bank's High 5s, and are valued for their oversight function and as evidence for decision-making.

Evaluation of AfDB's Program Based Operations

This evaluation was informed by the two aforementioned cluster evaluations, and covered the 91 Bank PBOs approved between 2012 and 2017. The objective of the evaluation was to report on how the Bank has been using the instrument, to identify factors that enabled or hindered good performance, and to draw lessons and recommendations.

The evaluation finds that overall, PBOs remain a relevant and useful instrument for the AfDB and its clients, although they are challenging to design and manage effectively. The evaluation found a broadly satisfactory picture when it comes to the relevance of the PBOs in the Bank's portfolio – based on their programming and design and broad adherence to the Bank's own Policy and Guidelines and international good practice. With regard to achievement of reform objectives, the overall picture was also satisfactory. However, it was difficult to evidence the Bank's influence on reform direction and speed. Even in the presence of strong ownership, there were concerns regarding the institutional and financial dimensions of sustainability. The evaluation also found that the Bank has insufficiently invested in its own institutional infrastructure to obtain maximum value for money from the instrument.

Snapshot of recommendations:

The Bank should:

- Update or complement the PBO guidelines;
- Fully enforce the provisions of the PBO Policy;
- Design all future PBOs with a focus on a limited number of medium-term reform areas from within broader government reform plans;
- Reflect in practice the vital role of policy dialogue in PBOs;
- Back PBOs with appropriate and timely expertise and capacity support; and
- Invest in PBO supporting infrastructure.

Evaluation of the Congo Basin Forest Fund

The Congo Basin Forest Fund (CBFF) aimed at alleviating poverty and mitigating climate change by reducing the rate of deforestation in the Congo Basin through the efficient management of its forest resources. The main purpose of the independent evaluation of the CBFF, which had been requested by the Fund's governing bodies, was threefold: to examine what worked and didn't, and why; to inform donors, the CBFF Governing Council and the AfDB Board on the way forward for the CBFF; and to ensure accountability for CBFF investments.

The evaluation found that overall, the CBFF performed well. Its portfolio was strategically coherent and effective in generating relevant outputs and outcomes, including the promotion of innovations for transformational change required to reduce deforestation, and supporting capacity development in the Congo Basin countries. However, the evaluation found that CBFF projects were inefficiently delivered, with results that are unlikely to be sustained, notably where projects do not have alternative sources of funds.



Village chief Ngontsimi Onana, Minwoho, Lekie, Centre Region, Cameroon, a beneficiary of the Congo Basin Forest Fund

Snapshot of recommendations:

- The CBFF and its Governing Council should ensure a full and considered completion phase for the CBFF.
- The CBFF Secretariat should invest in capturing and capitalizing on lessons learned.
- The AfDB should consider continuing to use a trust fund, such as the CBFF, as one of its tools and funding mechanisms in the forest and climate sector.



Photo: © AfDB

Christie Tume Dadacha (25) (in white coat) and Amina Addan (23) grade sand in the lab at their construction site in Walda, Kenya. They are among the few women who live on site.

A Suite of Three Corporate Evaluations

IDEV's corporate evaluations examine the Bank's corporate policies, strategies, systems and processes with the aim to improve organizational effectiveness, which in turn is crucial for development effectiveness. In its original 2016–2018 Work Program, IDEV had planned to conduct a corporate evaluation of the quality at entry (QaE) of the Bank's public sector operations. In the end, due to the high interest in and demand for evaluative knowledge on the quality assurance of AfDB projects, it delivered a suite of three evaluations. This trio examines not only the QaE of both public and private sector operations, but also the quality of supervision and exit of these operations, as well as the succession of quality assurance processes across the project cycle. The latter addresses broader institutional questions pertaining to how the entire quality assurance chain contributes to compliance, learning and development effectiveness.

Evaluation of the Quality at Entry of AfDB Group Operations

This evaluation covers all sovereign and non-sovereign operations (NSOs) approved between 2013 and 2017. The main objectives of the evaluation were (i) to assess the QaE of the Bank's operations against an evidence-based standard; (ii) to examine the extent to which the Bank's conceptual and procedural framework for quality influenced the QaE of new operations as well as strategic decision-

making; and (iii) to derive recommendations to inform the Bank's forward-looking quality agenda.

The evaluation found that the Bank's QaE tools for sovereign operations do not distinguish projects based on their likely performance and do not sufficiently address factors that predict the achievement of outcomes. Furthermore, the Bank does not explicitly consider contextual factors during project preparation and appraisal and, despite the consistent implementation of existing tools, the QaE of sovereign operations and PBOs has not improved significantly over the evaluation period. The evaluation also found that the Bank's procedural framework for promoting the quality of sovereign operations is less efficient than that of comparators and that there are some shortcomings in the enabling environment for QaE. With regard to NSOs, the evaluation found that the Bank's conceptual framework for QaE is aligned with that of comparators on many aspects except on evaluability and the effect of NSOs on private sector development.

The evaluation made a number of recommendations to the Bank that touched upon the review processes and tools for quality assurance; member country readiness; planning and budgeting; business development; staff capacity; incentives and resources; and credit as well as corporate governance risk of NSOs.

Evaluation of the Quality of Supervision and Exit of AfDB Group Operations

Covering both public and private sector operations during the period 2012–2017, this second evaluation sought credible evidence of the extent to which the Bank's project supervision system is relevant, adequate and aligned with best practice; the performance of the Bank's Quality Assurance (QA) framework during project implementation and completion; and the factors that shape supervision effectiveness. It also sought lessons that would inform the Bank's future use of supervision under its transformation agenda.

Overall, the evaluation found that the Bank is making efforts to improve its supervision practices, with policies, guidelines and tools found to be largely relevant and clear. However, the evaluation noted that the use and follow up of supervision tools requires strengthening. It found consistent progress on portfolio monitoring of public sector projects, but supervision was not deemed sufficiently proactive, and mechanisms to ensure candid reporting were very limited. The Bank's risk-based approach to supervision of NSOs was found to be adequate, but decision points and timelines to address problematic projects need to be better defined.

The evaluation made a number of recommendations, including to improve the management of risks and project performance; ensure adherence to quality standards for supervision and completion; increase the credibility of results reporting; and strengthen incentives to support a results and quality culture.



Caroline Muliro (27) Plant Operator at Menengai Geothermal Project.

Photo: © AfDB

Evaluation of Quality Assurance across the Project Cycle of the AfDB Group

Building on the previous two evaluations, this report sought to determine the extent to which the Bank's QA processes are appropriate, comply with QA standards, address risk management, and contribute to organizational learning as well as to the achievement of development outcomes. It also analyzed the QA processes for compliance with the Bank's Environmental and Social Safeguards. Its results are expected to inform the ongoing reforms of the corporate processes at the Bank.

“ IDEV evaluations are fundamental because they put a spotlight on issues that really matter to the Bank. They force us to reflect on and sometimes rethink the way we do business. So, ultimately, they're about making sure we keep on moving in the right direction. ”

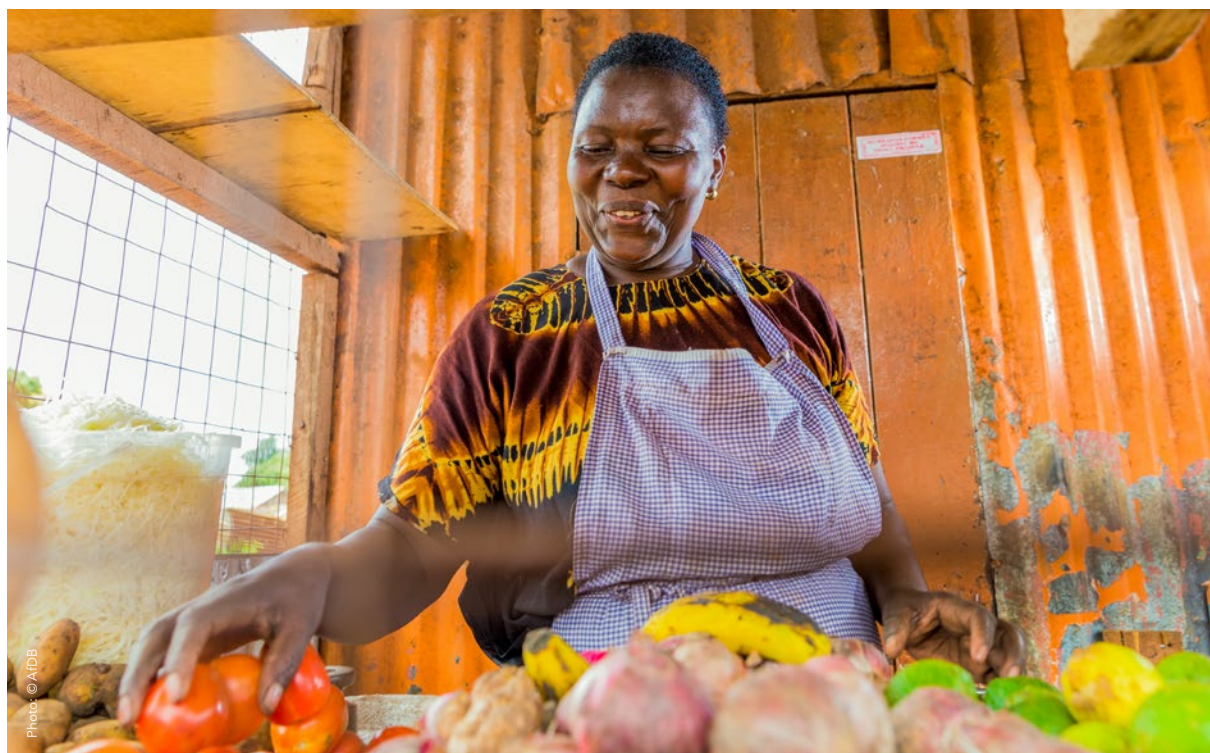
Simon Mizrahi, Director, Delivery, Performance Management and Results

The evaluation assessed as positive the direction of the recent reforms undertaken by the Bank related to QA and development effectiveness. However, some gaps were noted in the QA framework in relation to best practices, such as in applying the dimensions of independence, contestability and verification. It also found challenges in adhering to existing Bank procedures, like inconsistent use of project briefs and mid-term reviews. The evaluation observed a high project-to-task manager ratio, compared to similar organizations, and a lack of adequate and standardized training to support task managers in the performance of their role. It also found that the number of specialist (risk, legal, fiduciary, Environmental and Social Safeguards) staff to support QA was not commensurate with the growth of the Bank's portfolio. Finally, the evaluation found that key performance indicators were mostly linked to approvals and disbursements, creating contradictory incentives for Bank staff, favoring approvals and disbursements over the quality of design or the capture of key lessons to improve future interventions.

Snapshot of recommendations:

The Bank is advised to:

- Increase the effectiveness and efficiency of its quality review process;
- Increase the use of project preparation facilities to promote project quality;
- Strengthen its Indicative Operational Program and resource allocation for project preparation and supervision;
- Enhance the relevance and effectiveness of the Readiness Review and Peer Review;
- Identify a framework for reinforcing the evaluability of non-sovereign operations;
- Strengthen mechanisms for verifying the mitigation of credit risks for non-sovereign operations;
- Increase emphasis on corporate governance risks among non-sovereign operations;
- Improve RMC readiness and capacity for Public Investment Management;
- Improve management of risks and project performance;
- Ensure adherence to quality standards for supervision and completion;
- Enhance the capacity of staff to manage projects effectively; and
- Strengthen incentives for portfolio quality.



Teresia Kanina, a vegetable vendor from Marsabit, Kenya, on the AfDB funded Nairobi-Addis Ababa road corridor.

One Evaluation Synthesis

Evaluation syntheses present knowledge and draw together key lessons from a variety of existing sources in a useful way. As such, they play a central role in learning for the Bank.

Do Lines of Credit Attain their Development Objectives?

IDEV conducted an evaluation synthesis of Lines of Credit (LOCs) in response to a request from the AfDB Board. LOCs are long-term loans, either in local or hard currency, provided by an International Financial Institution (IFI) to a Financial Intermediary (FI) for on-lending to its customers, also referred to as sub-borrowers or end-beneficiaries. The objectives of the synthesis were to: (i) identify good practices from the experience of the AfDB and peer institutions on the achievement of LOCs' development objectives, and (ii) draw lessons that could inform the design, implementation and use of future LOCs.

The evaluation team assessed 12 selected evaluations in terms of the extent to which LOCs are a relevant, cost-effective, and sustainable instrument for increasing access to finance and promoting inclusive growth. The synthesis found that LOCs were relevant for IFIs and client FIs, responding to the FIs' need to secure long-term loans. However, the relevance of LOCs to the end-beneficiaries was more open to debate as it could be a challenge to find a balance between achieving risk and profitability in IFIs and client FIs on the one hand, and providing financial services to underserved but riskier market segments on the other. While the efficiency of LOCs was deemed satisfactory, their effectiveness was questioned due to the lack of reliable information at the end-beneficiary level. The sustainability of LOCs was not well investigated in the literature and the enforcement of environmental and social standards considerations was seen as problematic.

Snapshot of points for consideration:

- IFIs need to be more accountable and transparent in their reporting on LOCs' effectiveness and be more proactive in holding FIs to account for reporting on LOCs' development objective obligations.
- Resources should be made available for other instruments that address the binding constraints of the demand-side of access to finance (such as technical assistance), in parallel with the provision of LOCs.
- It would be beneficial for IFIs to strengthen their systems and capacities in the areas of banking and the private sector, ex-ante assessments including on environmental and social safeguards, and monitoring and evaluation.
- IFIs' approaches towards LOCs should be harmonized, and they should prepare good practice guidelines on providing LOCs to guide investment officers in their daily work.
- IFIs are advised to find ways to extend their financing instruments to micro, small and medium-sized enterprises in fragile situations, and to widely communicate their LOCs lending policy.

One Knowledge Product: a Comparative Study

A Comparative Review of Sanctions Practices across Multilateral Development Banks

IDEV conducted a study of the sanctions systems of the five MDBs participating in cross-debarment for fraud, corruption, and other sanctionable practices: the AfDB, Asian Development Bank, European Bank for Reconstruction and Development, Inter-American Development Bank, and the World Bank Group. The broad objectives of the study were to assess the sanctions experience to date and to apply the lessons learned to assist the AfDB in its own sanctions practice, with the ultimate goal of promoting integrity and combating fraud and corruption in future development operations.

At the time of preparing this Annual Report, the study was still under consideration by the AfDB Board and had not been released for publication. ●

OVERVIEW OF EVALUATION TYPES CONDUCTED IN 2018





ENGAGING WITH STAKEHOLDERS FOR BETTER EVALUATIONS AND A CULTURE OF LEARNING

As part of its mandate to promote learning and build an evaluation culture both in the Bank and in its Regional Member Countries, IDEV goes beyond simply making evaluative knowledge available through dissemination of reports, briefs, and other knowledge products. It also reaches out and engages with key stakeholders through events and digital platforms.

Since the Bank adopted its Independent Evaluation Strategy, IDEV has made strides in fostering closer relationships within the Bank as well as with external partners and stakeholders in order to build a culture of evaluation and learning inside the AfDB, within governments, parliaments and other decision making institutions across Africa, and among development agencies.

In 2018, IDEV enhanced its engagement with Bank operations departments, through closer cooperation in the design and conduct of evaluations, including through reference groups. It also launched a series of capitalization workshops, a platform for IDEV and Bank operations staff to discuss findings, lessons and recommendations from evaluations and foster improved project designs and strategies. This enhanced engagement has helped to instill a stronger culture of learning at the Bank, where evaluations are increasingly seen as a source of knowledge with the aim of improved performance, rather than purely an accountability mechanism. Furthermore, IDEV engages with partners and networks in order to further the use of evaluation and evaluative knowledge for accountability and policy- and decision-making in African countries.



An Evaluation Week 2018 participant during the professional capacity development workshop on gender

Photo: © AfDB

COLLABORATING WITH BANK OPERATIONS DEPARTMENTS

In 2018, IDEV conducted a number of activities in close cooperation with Bank operations departments, with the aim of raising the impact of evaluations on the Bank's work and ultimately its development footprint. In addition, these activities were aimed at raising awareness within the Bank of the formative value of IDEV's work, and highlighting the evaluation process as a joint learning exercise. This in turn will help to foster a culture of evaluation and learning within the Bank.

Capitalization Workshops

Capitalization workshops are organized around project cluster evaluations, which do not contain recommendations but rather focus on lessons learned (what worked, what did not work and why) to guide future activities of the Bank in the sector or theme being examined. They allow IDEV and operations complex staff to openly discuss the main outcomes of the cluster evaluation, to hear each other's experiences and views, to seek feedback from the operations colleagues on the usefulness of this type of evaluation and to get a sense of how the findings and lessons learned from the evaluation will be used by the complex going forward.

In February, IDEV and the Power, Energy, Climate Change and Green Growth complex at the AfDB held the first capitalization workshop to discuss the results of two IDEV project cluster evaluations, of AfDB-funded rural electrification and power interconnection projects (see the 2017 Annual Report). Later that month, following the project cluster evaluation on Agricultural Value Chains Development (see the 2017 Annual Report), IDEV and the Agriculture, Human and Social Development complex held a capitalization workshop to discuss the main evaluation findings and lessons learned for guiding the design and implementation of agricultural value chain projects under the Bank's Feed Africa Strategy. Finally, in September, a third capitalization workshop was held to share the results of the two cluster evaluations of PBOs in the areas of energy and private sector environment (see the section on cluster evaluations) with Bank staff tasked with designing and implementing such operations.

“ The cluster evaluations on power interconnections and rural electrification highlighted areas of improvement such as the need to resolve investment risks and bottlenecks through holistic project design, continued political engagement, and accelerated reforms. During the capitalization workshop, we reviewed the evaluation outcomes, and explored concrete recommendations ranging from integrated electrification planning, to power purchase agreements incorporating tariff adjustment mechanisms. Consequently, we came away with an evidence-informed backdrop that will guide how we design and prioritize energy interventions in the power interconnection and rural electrification space. ”

Daniel Schroth, Advisor to the Vice President, Power, Energy, Climate and Green Growth

The capitalization workshops were found to be a useful instrument to stimulate open discussion and exchange among evaluators and task managers, and to increase mutual understanding.



Participants (including IDEV's Jayne Musumba, Foday Turay and Latefa Camara) exchanging at the Knowledge Café during Evaluation Week 2018

Knowledge Café on Evaluations for Greater Impact in Bank Operations

At the launch of the AfDB Evaluation Week 2018 (see below), a Knowledge Café was held to draw on the knowledge and experience of a variety of experts across Bank operations departments to improve the impact of evaluations on Bank operations. Participants from various departments within the Bank including IDEV, and external participants from evaluation associations in Côte d'Ivoire, discussed at round tables focused on the following key questions: "How can evaluators improve their engagement with evaluation stakeholders?", "How can stakeholders tackle the challenges associated with communication and use of findings?" and "What are the opportunities and challenges in collaboration between evaluation teams and various stakeholders?".

The exchanges between evaluators and operations staff were welcomed by all, and the feedback, views and good practices shared at the Knowledge Café provided IDEV with ideas, tools and methods to further improve its engagement with stakeholders during evaluation processes.



Presentation on the history of the Congo Basin Forest Fund

Knowledge sharing event on Congo Basin Forest Fund

As the CBFF, hosted by the AfDB, was due to close at the end of 2018, IDEV contributed to a knowledge-sharing event held on 6 December, reporting on lessons learned from its independent evaluation of the Fund (see the section on thematic evaluations). One of the recommendations from the evaluation of the CBFF had been to capture knowledge and lessons, and capitalize on them to inform future interventions. The event, which was an important step in sustaining the results of the CBFF-funded projects and in learning from the innovative models and tools developed by the Fund, was attended by CBFF donors, members of the CBFF Secretariat, Bank senior leadership and operations staff.

“The two most important lessons learned from the CBFF evaluation are that *i) Sector Departments need to show ownership through more involvement in the governance of the trust funds that are under their mandate, and ii) mainstreaming project activities into national programs leads to a smooth exit strategy and is therefore favorable to sustaining their benefits.*”

Bouchaib Boulanouar, Partnerships Coordinator, AfDB



A station manager at the Customs & Border Control office in Kenya

Photo: © AfDB

PROMOTING A CULTURE OF KNOWLEDGE SHARING AND LEARNING

IDEV not only advocates for learning through evaluation within the AfDB, but also aims to foster a culture of evaluation among decision-making bodies across the continent, in particular governments, parliaments, and other national and regional institutions.

In 2018, IDEV disseminated its knowledge products across its network of policy and decision-makers, development agencies, evaluators, academia, civil society and other stakeholders. Through social media engagement, a broadcast media campaign, and targeted e-newsletters, IDEV was able to reach a large digital audience, increasing visits to its website and sharing evaluative knowledge. In addition, it organized and participated in a number of workshops, seminars and conferences, with the aim of disseminating evaluative knowledge, sharing good practices, building evaluation capacities and increasing the demand for and use of evaluation in African countries.

ROUND UP OF IDEV KNOWLEDGE OUTREACH AND DISSEMINATION

Twitter



365

Tweets



525,726

Impressions/views*

IDEV website activity



22

Stories posted



21

Evaluation reports uploaded



12,951

Unique visitors to the website in 2018

Evaluation Results Database



2,214

Lessons added



1,115

Recommendations added



399

Documents added



1,638

Queries made by users

Physical reports and knowledge products disseminated**



18,584

Management Action Record System

(at 31 December 2018)



47

Evaluations



420

Recommendations



847

Management actions

* Impressions are the number of times IDEV content was displayed on others' newsfeed feeds across the Twittersphere.

** This figure represents the total sum of IDEV knowledge products disseminated both physically and electronically.

Sharing with stakeholders on IDEV's digital network

A key aspect of IDEV's knowledge sharing work is its engagement with target audiences and stakeholders through the IDEV website, direct mailings, e-newsletters and social media, to disseminate evaluation reports, briefs, highlights, news items and other updates of our work. These important tools allow IDEV to not only fulfil its role in delivering evaluative knowledge outside of the Bank, it also provides a level of transparency and accountability for our work and the work of the Bank.

This year, IDEV published 15 evaluation reports, accompanied by various briefs and highlights, and two editions of its quarterly magazine *Evaluation Matters*, which focused on building supply and demand for evaluations in Africa. We also produced documentary videos on two evaluations, the Côte d'Ivoire CSPE and the Agricultural Value Chains Development thematic evaluation (see the 2017 Annual Report). IDEV moreover launched its new e-newsletter *e-Valuation Roundup*, which disseminated IDEV knowledge and news to roughly 6,000 subscribers



within and outside the Bank. IDEV's Evaluation Results Database (EVRD), which gathers the lessons learnt and recommendations from all Bank evaluations in a searchable format, has grown steadily in its usefulness and capacity to inform, with 399 documents, 2,214 lessons and 1,115 recommendations added in 2018.

Evaluation Week 2018

The biennial AfDB Evaluation Week is a flagship event of IDEV, held at the Bank's headquarters in Abidjan, Côte d'Ivoire. From 5-7 September, IDEV organized the three-day knowledge event to enable discussion and exchange among evaluators, development experts and practitioners, and civil society on the crucial role of evaluation in facilitating the achievement of Africa's transformation agenda. This year's theme was *Strengthening Development Impact*.



Opening session of the
Evaluation Week 2018
(From left to right:
Per Øyvind Bastoe,
H.E. Dr. Nkosazana Dlamini-
Zuma, Pierre Guislain,
Caroline Heider,
Hanan Morsy)

More than 450 participants and 30 experts from all over the world took part in this global learning event. Three discussion themes ran throughout the Evaluation Week 2018: i) Public-Private Partnerships for Infrastructure Development in Africa, ii) Inclusion Through Agriculture and Agricultural Value Chains, and iii) Partnerships for Impact in Africa.

Discussing the OECD-DAC Evaluation Criteria

As part of the Evaluation Week, IDEV organized a discussion on the OECD-DAC evaluation criteria with the participation of evaluators, the chairperson of the OECD-DAC Evaluation Network, the head of the Independent Evaluation Group of the World Bank, the president of the African Evaluation Association, and development practitioners. The five OECD-DAC criteria have served as an international standard in evaluating development interventions since 1991. They are used by most bilateral, multilateral and non-governmental development organizations, including the AfDB.

OECD-DAC evaluation criteria



The discussion organized by IDEV was part of an ongoing worldwide consultation on the criteria, which explores their review and adaptation to the new development context and landscape including the Agenda 2030. The purpose of the session was to hear the views of African evaluators and evaluation stakeholders on the criteria, specifically on whether they should be modified or adapted (and if so, how), and how the specific development context of African countries can be better taken into account in the evaluation of policies and programs. The results of the worldwide consultation will form the basis for decision-making on the adaptation of the criteria in 2019.

Contributing to key evaluation conferences, workshops and events

IDEV participated in and contributed to various international evaluation events.

UNDP Regional Workshop on Evaluating the Sustainable Development Goals

On 12-13 June, representatives from 14 countries, regional associations and development institutions from across Africa met in Kigali, Rwanda to deliberate on the capacity imperatives needed to evaluate the implementation of the Sustainable Development Goals (SDGs) and to track progress at country level. IDEV delivered a presentation on its support to Evaluation Capacity Development across the continent.

EvalColombo 2018

On 17-18 September, IDEV, which hosts the secretariat of the African Parliamentarians' Network on Development Evaluation (APNODE - see next section), was invited by the Global Parliamentarians' Forum on Evaluation to participate in the EvalColombo 2018 conference, aimed at promoting parliamentarians' use of evaluation. IDEV facilitated discussions during the 'Exchange of Experiences' sessions, which were focused on fostering peer learning by participants on their efforts to promote and use evaluation for national decision-making. IDEV also conducted video interviews of Parliamentarians attending the conference, for sharing on its website and among the APNODE network.

Africa Evidence Conference

From 25-28 September, the Africa Evidence Network organized its biennial conference on the use of evidence in decision making in Africa, in Pretoria, South Africa. The 2018 conference focused on four areas of priority in Africa: quality education, communicable diseases, climate resilience, and good governance. IDEV made a presentation on how evidence is used in the AfDB decision-making cycle, looking at evidence enablers and key decision points.

European Evaluation Society Biennial Conference

From 1-5 October, the European Evaluation Society held its Biennial Conference in Thessaloniki, Greece, on the theme "Evaluation for more resilient societies". IDEV delivered two presentations on how it integrates gender into its evaluation work, and on the need to strengthen gender-responsive designs and monitoring systems of clients.

American Evaluation Association Annual Conference

From 29 October to 3 November, the American Evaluation Association held its 32nd Annual Conference in Cleveland, Ohio, USA on the theme “Speaking Truth to Power”. Together with colleagues from the International Fund for Agricultural Development evaluation office, IDEV presented the methodology and findings of its thematic evaluation on Agricultural Value Chains Development in Africa.

Asian Development Bank Knowledge Forum

From 6-9 November, IDEV participated in the 2018 Asian Development Bank (AsDB) Knowledge Forum, and contributed to the session on “Knowledge and Innovation at Development Organizations”. It highlighted IDEV’s ongoing and planned knowledge management activities and how these support the overarching knowledge strategy of the African Development Bank, as well as its work to support the Bank’s innovation agenda.



Photo: © AIDB

Students at Malawi Polytechnic. The school benefited from a loan from the African Development Bank toward its Higher Education Science and Technology (HEST) program.

DEVELOPING CAPACITY AMONG STAKEHOLDERS

As part of its mandate to promote an evaluation culture in Africa, IDEV works with a host of stakeholders including governments, parliaments, national and international development agencies, Voluntary Organizations for Professional Evaluation, academic and research institutions, and networks to strengthen their capacities to supply, demand and use evaluation in their daily work. In 2018, IDEV continued to support a number of ongoing initiatives and organized various activities to strengthen capacities, in different ways.

Capacity Development Webinars

Throughout the year, IDEV staff organized a series of webinars on evaluation topics, with the overall aim of sharing experiences and good practices, developing evaluation capacities among evaluators, Bank staff, decision makers and other key stakeholders, and building a culture of evaluation.

WEBINARS CONDUCTED IN 2018

18 JANUARY

How do Organizations Learn?

27 APRIL

The use of evidence in African legislatures: The role of parliamentary networks



25 MAY

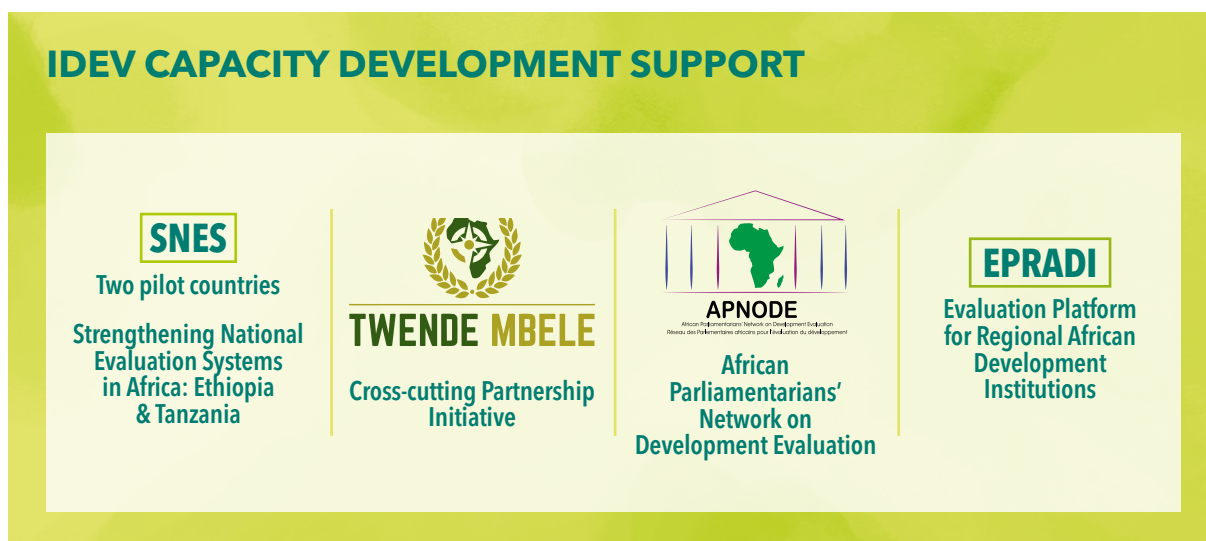
Most Significant Change in evaluation: An Information Gathering Tool

14 AUGUST

Promoting Development Effectiveness in MDBs: Striking a balance between Evaluation Independence and Operational Embeddedness

Gender and Evaluation Workshop

On the first day of Evaluation Week 2018, IDEV organized a professional development workshop targeted at Bank staff and evaluators working in Côte d'Ivoire, aimed at improving participants' understanding of gender in evaluation as well as raising awareness of the need to generate and use sex-disaggregated data to measure distributional impacts in Africa. IDEV and the Independent Evaluation Group of the World Bank shared their experience with integrating gender into evaluations, and AfDB operations staff shared on mainstreaming gender into operations. This was followed by an open discussion among all participants.



Strengthening National Evaluation Systems

IDEV continued to work with the governments of Ethiopia and Tanzania to strengthen their national evaluation systems under the SNES initiative funded by the Finnish Trust Fund. It was the final year of the initiative, and activities were winding down. IDEV was instrumental in publishing the M&E Guideline for Ethiopia, following the adoption of a national M&E Policy by the country's Council of Ministers. IDEV also recruited a consultant to support the work of Ethiopian National Planning Commission by providing in-house trainings, capacity building, as well as editorial and technical assistance to the Commission and related institutions. IDEV further commissioned the Center for Learning on Evaluation and Results for Anglophone Africa (CLEAR-AA) to provide results-based monitoring and evaluation trainings to almost a 100 public sector M&E professionals from Ethiopia and Tanzania.

African Parliamentarians' Network on Development Evaluation

APNODE is a network gathering current and former members of parliament from across Africa with the aim of promoting development effectiveness and inclusive growth on the African continent through effective use of development evaluation. The members recognize the useful role that evaluation can play in their daily work of oversight, accountability and budgeting. currently counting members from 26 countries, the network receives various kinds of support from AfDB, IDEV, the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women), the United Nations Children's Fund (UNICEF), CLEAR AA, Twende Mbele and the Réseau Francophone de l'Evaluation.



*Participants at APNODE's
4th Annual General
Meeting in Libreville,
Gabon 8–10 August, 2018*

In 2018, IDEV continued to host the APNODE Secretariat and provide logistical support. APNODE held its 4th Annual General Meeting in August, hosted by the Senate of Gabon, and with trainings provided by UN-Women, CLEAR-AA, the African Centre of Parliamentary Affairs and the Ghana Institute of Management and Public Administration. APNODE members organized and participated in various activities, including a workshop on gender-sensitive and equitable public policy evaluation in Côte d'Ivoire in February; the global parliamentarians' forum EvalColombo in Sri Lanka in September; training workshops with CLEAR-AA on research and evidence use in the parliamentary context, in Uganda and South Africa; and a workshop on evidence-based SDGs organized by the Permanent Mission of Ethiopia to United Nations, UNECA, UNICEF and the African Union.

Twende Mbele

Twende Mbele is a South-South peer learning partnership among the governments of four core African countries (Benin, South Africa and Uganda, joined in 2018 by Ghana), with two technical partners (CLEAR-AA and IDEV). Two other countries – Niger and Kenya – are collaborators though not yet full partners. The partnership aims to improve the performance and accountability of African governments towards citizens by strengthening monitoring and evaluation systems. Central to Twende Mbele is the desire to move beyond a network of people just sharing experience, toward a partnership where countries collaborate on developing specific elements of their M&E systems.

IDEV continued to support and work with Twende Mbele on various activities, among others a session on evaluation partnerships at the Bank's Evaluation Week. IDEV also hosted the quarterly Twende Mbele Management Committee meeting in Abidjan in February, and members participated in a lunch seminar

for Bank staff on government accountability. IDEV, Twende Mbele and APNODE worked together to strengthen parliamentary capacities on the continent, with Twende Mbele facilitating the participation of APNODE members at events such as EvalColombo and trainings in Kenya and Uganda on evidence use by parliaments, among others.

Evaluation Platform for Regional African Development Institutions

EPRADI (Evaluation Platform for African Development Institutions) is a forum and mutual learning hub with an integrated Community of Practice, that aims to harmonize evaluation methods and practices as well as contribute to enhancing the quality of evaluations and evaluation best practices in member institutions. Current members are: the ECOWAS Bank for Investment and Development; West African Development Bank; Common Market for Eastern and Southern Africa; West African Economic and Monetary Union Commission; Development Bank of Southern Africa; East African Community; and Eastern and Southern African Trade and Development Bank. IDEV holds an observer status and in 2018 actively contributed to the Community of Practice's work with logistical and technical support.

The African Evaluation Association

The African Evaluation Association (AfrEA) is a non-profit umbrella organization for African Voluntary Organizations for Professional Evaluation (VOPEs), founded in 1999, to build strategic bridges for African evaluators to connect, network and share experiences. It also serves as a leading source of evaluation knowledge for individual evaluators in countries where national evaluation associations do not exist. IDEV is a member of the AfrEA Board and provides technical support throughout the year, collaborating on a number of AfrEA activities. IDEV also supports AfrEA's biennial International Conferences, the next one of which will take place in Abidjan in 2019. Preparation of this major event started in 2018. ●



RESPONDING TO EVALUATION NEEDS, DEMANDS AND CHANGES

In order for IDEV's evaluations to achieve their objective of improving development effectiveness, they not only need to be accurate, credible and of high quality, they also need to be relevant and useful. IDEV is therefore very careful in deciding what should be evaluated and what kind of evaluations are necessary (i.e. where learning is needed) as well as wanted by the users (i.e. the AfDB Board, Bank operations departments, etc.).

IDEV works on the basis of a three-year work program, approved by the AfDB Board, the most recent of which was completed at the end of 2018. The work program is established through a consultative process with the AfDB Board and Management, whereby the most relevant, useful and pressing requests for evaluation are considered. During the implementation of the work program, each year IDEV discusses adjustments to the work program with the AfDB Board's Committee on Operations and Development Effectiveness (CODE) in terms of priorities; this allows for evaluations to be added, dropped or postponed as per changing circumstances and the needs of the Bank. This gives IDEV the flexibility to respond to shifting needs and demands.



*Water point in the late afternoon in Samine, Senegal
(2km after the Gambian border)*

Photo: © AfDB

RESPONDING TO NEEDS AND DEMAND FOR EVALUATIONS

In 2018, IDEV delivered four evaluations that had not been in its original 2016-2018 Work Program, thereby demonstrating its agility and its responsiveness to the needs of the Bank. IDEV also took on board two additional requests in 2018, which will be delivered in 2019.

Requested evaluations completed in 2018

In 2018, IDEV completed four evaluations that came as additions or adjustments to its work program, requested by the AfDB Board or Management. These included:

The evaluation of the Congo Basin Forest Fund, following a request from the Fund's key stakeholders – including the donors, CBFF Governing Council, AfDB Board and the CBFF Secretariat – who had called for an independent evaluation before the program came to a close in 2018.

The evaluation of the quality of supervision and exit of AfDB Group operations was requested by the ADF Deputies at the third ADF-14 replenishment meeting, to complement the planned evaluation of the quality at entry of public sector operations. The scope of the latter was widened to include private sector operations as well. In consultation with the CODE Chair and Vice-Chair, it was subsequently decided to add an **evaluation of quality assurance across the project cycle**, which builds upon and draws lessons from the first two evaluations as well as analyzes the Bank's quality assurance processes for compliance with the Bank's Environmental and Social Safeguards. IDEV had to demonstrate considerable flexibility in its work plan in carrying out these additional evaluations.

The comparative review of the sanctions systems of the MDBs participating in cross-debarment for fraud, corruption, and other sanctionable practices was requested by the AfDB Board and added to the work program in 2017. The broad objectives of this study are to assess the sanctions experience to date at these MDBs, and apply the lessons learned to assist the AfDB in its own sanctions practice, with the ultimate goal of promoting integrity and combating fraud and corruption in future development operations.

In addition, IDEV undertook a **self-assessment** of its implementation of the Independent Evaluation Strategy and underwent an **Independent Peer Review**

(see next chapter) to draw lessons on how its work could be further improved, and to inform a discussion on the future strategic directions for the department.

New requests added in 2018

In addition to requested evaluations completed in 2018, IDEV was responsive to additional requests from the AfDB Board and from Management.

Evaluation of the Middle-Income Countries Technical Assistance Fund

In June 2018, in the context of the annual decision-making process on the allocation of the AfDB's net income, the AfDB Board requested IDEV to carry out an evaluation of the **AfDB Middle-Income Countries Technical Assistance Fund** (MIC-TAF or the Fund) and made the release of certain resources to the Fund contingent upon delivery of the evaluation. The Fund was established in 2002 to enhance the volume, quality, competitiveness and development effectiveness of the Bank's operations in MIC countries by providing grant resources for capacity building, economic and sector work, and project preparation. The evaluation examines the extent to which the Fund has achieved its original goals and delivered development results in recipient countries. It also investigates issues around the Fund's governance, as well as the factors that promote or hinder the utilization of funds from both the supply and demand side.

The evaluation will be presented to CODE in early 2019, in time for the next net income allocation discussion.

Evaluation of the implementation of the AfDB Development and Business Delivery Model

During the Bank's Annual Meetings in Busan in May 2018, in the context of its decision to launch the discussions regarding a GCI for the Bank, the AfDB Board of Governors underscored the importance of "a review of the reforms to increase the Bank Group's capacity to deliver on its objectives"³. This refers to the AfDB's Development and Business Delivery Model (DBDM), a set of institutional reforms launched in 2016 in order to scale up implementation of the Bank's Ten-Year Strategy, accelerate development impact and further augment its revenues to meet its clients' needs. These reforms involved a re-design of its operating model, organizational structure and pricing framework, and were aimed at increasing the Bank's capacity to deliver on its High 5 priorities.

In response to the Governors' request, IDEV commenced a process of facilitating the evaluation, which is being carried out independently by consulting firm International Organization Development (IOD) PARC. The objectives of the evaluation are threefold: (i) Assess the current implementation status of the DBDM; (ii) Assess the DBDM's contributions to the Bank's efficiency and effectiveness; and (iii) Identify the main challenges and lessons to improve the development effectiveness of the reforms. The evaluation report will be presented at the Bank's next Annual Meetings in June 2019. The key users of the evaluation will be the Bank's Board of Governors, Board of Directors and Management. The evaluation will be one of the documents informing future decisions in the context of the replenishment processes for the ADF and the GCI, as well as informing further implementation of the DBDM itself.

³ Communiqué of the Boards of Governors, Busan, Republic of Korea, 21-25 May 2018. https://www.mof.go.jp/english/international_policy/mdbs/afdb/2018c.pdf



RESPONDING TO CHANGES AND CHALLENGES

2018 was a year of change and transition for IDEV. This was partly due to the changes happening at the AfDB as it continued to implement its DBDM. The reforms included a restructuring of many of the Bank's departments, including changes to staffing and decentralization of positions. As a result, the work of IDEV's evaluators became more challenging. Gathering information from Bank staff is a crucial part of any evaluation. Due to the staffing changes, evaluators found that staff had relocated or changed position, either slowing down the evaluation work or making it difficult to gather comprehensive qualitative data as staff were at times in difficult positions to discuss their former work.

These challenges were compounded by staffing shortages that IDEV faced at the start of the year, putting extra pressure on the team. In early 2018, IDEV had 12 staff vacancies to fill. In addition, in August 2018, Evaluator General Rakesh Nangia took retirement and left the Bank. Karen Rot-Münstermann, manager of the Knowledge Management, Outreach, and Capacity Development Division at IDEV, took on the role of Acting Evaluator General, in addition to her role as manager. Nevertheless, the team continued to deliver. By the end of the year all staff vacancies were filled with the exception of the managerial positions, which were covered by interim arrangements. Due to the hard work of all IDEV staff, 15 evaluation products were completed, the highest number yet in a year for IDEV. ●





FURTHER STRENGTHENING THE EVALUATION FUNCTION

DEV continually explores ways to strengthen the evaluation function and make its work more relevant for the Bank. For example, it participates in several evaluation networks focused on standard-setting, experience-sharing and peer learning, to stay abreast of the latest developments in international evaluation theory and practice and to learn from the good practices of other evaluation offices. In 2018, it also introduced a number of measures designed to further enhance the quality of its evaluations. Moreover, it undertook a self-assessment of the implementation of the Independent Evaluation Strategy and underwent an external quality review of its evaluation products as well as an Independent Peer Review by members of the Evaluation Cooperation Group. These assessments provided various lessons and recommendations and will form the basis for a discussion by CODE in early 2019 on the strategic directions for IDEV going forward.



A group of young women in Chad walk by the side of a road rehabilitated by the AfDB.

Photo: © AfDB

PARTICIPATING IN PROFESSIONAL NETWORKS FOR IMPROVED EVALUATION PRACTICES

OECD-DAC Evaluation Network

The OECD-DAC Evaluation Network “EvalNet” is composed of the evaluation offices of the DAC members’ development agencies and a number of international organizations including the AfDB. The network promotes experience-sharing, peer learning and collaborative approaches to evaluations among development agencies. It also has a standard-setting function, for example establishing the OECD-DAC evaluation criteria and various norms and guidelines, which its members adhere to. Participating in the network provides a platform for IDEV to gain from knowledge, experience and perspectives beyond Africa, to be part of the conversation on global evaluation practices and to harmonize its way of working with other evaluation offices.

Evaluation Cooperation Group

The ECG was established to promote a more harmonized approach to evaluation methodology among International Financial Institutions. Its ten members meet twice a year to exchange on current evaluation topics; discuss evaluation methodologies; share technical presentations, good practices and evaluative knowledge; and explore opportunities for collaboration. The ECG also has a standard-setting function, producing guidelines and practice notes for a variety of evaluation areas. In 2018, the topics that it covered included: the OECD-DAC evaluation criteria, evaluating PPPs and private sector operations, joint evaluations, and ensuring quality assurance of evaluations. Participating in the ECG gives IDEV the opportunity to learn from other independent evaluation offices, to share its work and to strengthen its network.



IDEV's Grace Gabala presenting during the Working in Teams training

Photo: © ADB

IDEV'S QUALITY ASSURANCE COMMITMENTS IN 2018



Improved engagement of operations staff in reference groups for evaluations to improve quality, accuracy, ownership and engagement



Use of streamlined and standardized process and templates for evaluations



External expert review of evaluations to improve quality



Staff training and capacity development

Process tracing; Evaluation synthesis methodologies; Working in teams

IMPROVING OUR WAY OF WORKING

In order for IDEV to achieve its objectives of promoting accountability and fostering learning, its evaluations need to be consistently of high quality and the delivery of evaluative knowledge needs to be effective. Like most independent evaluation offices, IDEV has well-defined processes and ways of working in place that ensure the quality of its evaluations and the effectiveness of its dissemination efforts.

In 2018, IDEV introduced a number of new processes designed to further improve the quality of its evaluations. Firstly, it actively sought a greater involvement of operations staff in evaluation reference groups. These groups are set up for each evaluation to review the accuracy and quality of various products throughout the evaluation process. The Reference Group ensures that evaluations take into consideration the views and information needs of the evaluation stakeholders and that factual errors are corrected. It verifies that evaluation findings and conclusions are based on sound evidence, and that recommendations flow forth logically from them. Stronger participation of operations staff not only improves the quality but also the results of the evaluation through stronger ownership and formative engagement from Bank operations departments.

Secondly, in 2018, all evaluations were reviewed by an external expert. While conducting an external peer review was nothing new for IDEV, previously, the decision to use external as well as internal peer review processes was taken on a case-by-case basis. Since this year, this is a mandatory step in the process of producing an evaluation, in order to ensure its quality. Furthermore, the peer review process at IDEV has been strengthened by utilizing standardized checklists, templates, reporting formats and Terms of Reference.

In addition to improving processes, IDEV sought to improve the capacities of its staff and long-term consultants during three internal trainings. The first of these was a series of three half-day sessions on process tracing, a research method for tracing causal mechanisms using detailed, within-case empirical analysis. A second training, on evaluation synthesis methodologies, took place in November. Finally, IDEV staff participated in a training on “working in teams” to improve intra-departmental communication and teamwork.



SELF-REFLECTION ON DELIVERING THE INDEPENDENT EVALUATION STRATEGY

IDEV's mandate to deliver evaluative knowledge and improve AfDB's development effectiveness is anchored by the Bank's Independent Evaluation Policy and Independent Evaluation Strategy. The Independent Evaluation Strategy 2013-2017 (IES⁴) was developed as a response to a self-assessment of the Bank's independent evaluation function in 2012. The Strategy was the first of its kind among MDBs and sought to link the Bank's Independent Evaluation Policy to IDEV's three-year work program. It identified three complementary objectives of evaluation, namely: i) accountability; ii) learning; and iii) promoting an evaluation culture, and committed IDEV to undertaking a number of measures, actions and activities to help it contribute to the Bank's development effectiveness.

4 The IES has been extended twice, once for the year 2018 and again for the year 2019.

In 2018, IDEV conducted a self-assessment of the implementation of the IES. The objectives of the self-assessment were to assess the extent to which IDEV had succeeded in implementing the Strategy as intended, and to draw lessons to improve IDEV's future performance. As part of the self-assessment, a sample of 22 IDEV evaluations, from before and after the adoption of the IES, were independently quality-assessed. The objective was to find out whether there has been improvement in the quality of evaluations delivered during the Strategy period.

Overall, the self-assessment concluded that the implementation of the Strategy was satisfactory. It found the objectives of the Strategy to be well aligned with and adapted to the priorities of the AfDB, while respecting international evaluation principles and norms. The shift from serving purely accountability purposes towards learning and building an evaluative culture was seen as appropriate. The independent quality assessment showed a notable increase in the quality of evaluations during the Strategy period. Stronger quality assurance processes and the strong stance of IDEV management on quality have contributed to this.

Weaknesses were identified in the design of the Strategy, namely the results framework, which remained a provisional one, as well as the lack of a clear theory of change. Important tools such as the evaluation manual were not finalized as planned, and some products such as Project Completion Report and Extended Supervision Report validations were delayed beyond the planned timelines. Other concerns included the fact that IDEV did not manage to reduce its vacancy rate during the Strategy period, which was compensated, however, by the use of consultants. The assessment also found a lack of consistent budget planning and management across evaluations.

STRENGTHS AND WEAKNESSES OF THE 2013–2017 IES



- ✚ Aligned with and adapted to the priorities of the AfDB.
- ✚ Shift from serving purely accountability purposes towards learning and building an evaluation culture.
- ✚ Increase in the quality of evaluations.
- ✚ Stronger quality assurance processes.



- ✚ Provisional results framework and lack of a clear theory of change.
- ✚ Inappropriate indicators.
- ✚ High vacancy rate.
- ✚ Inconsistent budget planning and management across evaluations.

*A beneficiary of AfDB Food Security Support Project
in Nguedji, Senegal*



Photo: © AfDB

INDEPENDENT PEER REVIEW

In addition to the self-assessment of its implementation of the IES, IDEV proposed an Independent Peer Review (IPR) to take stock of the independent evaluation function of the Bank, to align it to comparative global standards, to provide evidence-based conclusions and recommendations to inform the development of the future strategic directions for IDEV and, if needed, to adjust processes and practices of IDEV.

The IPR was conducted by a panel of independent evaluation experts (Panel or Review Panel) from the ECG multilateral network of evaluation functions⁵. The IPR examined the extent to which IDEV's products, activities and institutional context align with good practice standards for evaluation, particularly the three core principles: (i) Independence; (ii) Credibility; and (iii) Utility.

⁵ This panel included: i) the Director General of the Independent Evaluation Group and Senior Vice President of the World Bank; ii) the Head of the Evaluation Office for NORAD and Chair of the OECD-DAC EvalNet; iii) the Inspector General of the European Investment Bank; and iv) the Director of the Independent Evaluation Office of the United Nations Development Program.

Overall, the peer review found that IDEV performed relatively well in terms of independence and credibility. However, the performance on utility, in particular on the part of Bank Management and its use of evaluations, was found to be less than satisfactory. Although IDEV met many of the standards for independent evaluation, there were several areas identified where IDEV faces potential risks to its independence, including whether the grade level of the Evaluator General could be subject to change; the possibility of pressure on the Evaluator General at the time of the renewal of his or her term; control of budget allocation; and HR decision-making on staffing.

In addition, although the IPR found that IDEV gained much in credibility over the past six years, it deemed that some challenges to credibility remained, particularly due to a perceived variability in quality and credibility of evaluation reports. The peer review recognized that IDEV had invested in engaging with Management by increasing consultations on the work program, on certain evaluations, and in terms of outreach. However, IDEV's considerable investments in communication were found important but not sufficient to create an evaluation culture at the Bank.

Snapshot of Independent Peer Review recommendations:

For the AfDB Board:

- Some fine-tuning of the Evaluation Policy, budget and HR processes is necessary to further enhance independence.

For AfDB Senior Management:

- Build on the asset of a strong independent evaluation function to enhance the Bank's reputation and credibility (for instance in ADF and GCI negotiations), and to continuously learn from experience to improve services and results for clients.

For IDEV:

- Further strengthen the consultation process on the IDEV work program by briefing Management on the final program.
- The draft IDEV manual (or handbook) should be finalized and implemented systematically to increase impartiality, transparency, and credibility.
- Select appropriate evaluation methods to ensure new insights are generated.
- Build up a system for budget planning and management for IDEV evaluations to ensure efficient resource use.
- Use the Senior Management Coordination Committee, and other such platforms, to brief leadership about strategic evaluations and discuss necessary follow-up actions.
- Accelerate the procedures to fill the vacant positions and continue with investing in staff development, including onboarding arrangements for new staff.
- Establish a system to monitor and record cases of conflict of interest and how they are managed.





THE ROAD AHEAD

DEV has a large number of evaluations ongoing (see Annex I), which in 2019 will provide valuable findings, lessons and recommendations for the Bank's policies, strategies, operations and processes. These include three project cluster evaluations, two impact evaluations, four CSPEs, three sector and thematic evaluations, six corporate evaluations, and two evaluation syntheses. Guided by a new Work Program for 2019-2021, IDEV looks forward to starting new evaluations, engaging better with stakeholders including with Management and Bank operations departments, sharing its knowledge to promote accountability and learning from evaluations, participating in international events like the AfrEA conference, contributing to capacity development on the continent, and applying the lessons and recommendations from the self-assessment and the Independent Peer Review. A discussion with CODE on the strategic directions for the department will provide further guidance and impetus to the evaluation function. Finally, the new Evaluator General will be warmly welcomed among IDEV staff next year.

ANNEXES

ANNEX I: EVALUATIONS IN THE 2016-2018 WORK PROGRAM	61
ANNEX II: IDEV EVALUATIONS COMPLETED IN 2018	63
ANNEX III: CAPACITY DEVELOPMENT AND KNOWLEDGE SHARING WEBINARS	90

ANNEX I: EVALUATIONS IN THE 2016–2018 WORK PROGRAM

CATEGORY OF EVALUATION	STATUS
------------------------	--------

PROJECT CLUSTER EVALUATIONS

Strengthening Agricultural Value Chains to Feed Africa	Completed
Regional Integration	Replaced by Rural water & sanitation , completed
Urban Water Supply and Sanitation	Completed
Agricultural Water Management	Ongoing
Program Based Operations: Energy Governance	Completed
Program Based Operations: Private Sector Enabling Environment	Completed
➕ ADDED Access to Finance	Ongoing
➕ ADDED Green Growth	Ongoing

IMPACT EVALUATIONS

Skills project	Cancelled
Irrigation project in Malawi	Ongoing
Transport: Road project in Ghana	Ongoing

COUNTRY/REGIONAL EVALUATIONS

Côte d'Ivoire Country Strategy and Program (CSP)	Completed
Malawi CSP	Completed
East Africa Regional Integration Strategy Paper Evaluation	Completed
Namibia (Mid Term Evaluation)	Cancelled
Mauritius (CSP)	Completed
Cabo Verde (CSP)	Completed
Eswatini (CSP)	Completed
Uganda (Mid Term Evaluation)	Replaced by Guinea-Bissau Mid Term Evaluation , completed
Egypt (CSP)	Ongoing
Mali (CSP)	Ongoing
Gabon (CSP)	Postponed to 2019
Mauritania (CSP)	Postponed to 2019
➕ ADDED Central Africa Regional Integration Strategy Paper Evaluation	Completed
➕ ADDED CSP Completion Report validation (South Africa)	Completed

SECTOR/THEMATIC EVALUATIONS

Evaluation of the AfDB's Support to the Water Sector	Completed
Public Private Partnerships (PPP) – Phase II	Ongoing
Bank Support for Agriculture Value Chain Development	Completed
The Bank's Human Capital Strategy for Africa	Cancelled
Bank's Partnerships: Co-financing, Syndication and Coordination	Postponed to 2019
Bank Lines of Credit	Changed to evaluation synthesis, completed
Program-Based Operations (PBO) Evaluation – Phase II (Results)	Completed
Bank's Role in Increased Access to Finance in Africa	Ongoing
➕ ADDED Evaluation of the Congo Basin Forest Fund	Completed

CATEGORY OF EVALUATION	STATUS
------------------------	--------

CORPORATE EVALUATIONS

AfDB's Human Resources Management System	Completed
Quality-at-Entry of Public Sector Operations	Expanded to: Quality at Entry of the AfDB Group's Sovereign and Non-sovereign Operations , completed
+ADDED Quality of Supervision and Exit of the AfDB Group's Operations	Completed
+ADDED Quality Assurance Across the Project Cycle of the AfDB	Completed
Implementation of the Bank's Gender Strategy	Ongoing (as extended evaluation synthesis)
Bank's Self-Evaluation Systems and Processes	Ongoing
+ADDED Integrated Safeguards System	Ongoing
Addressing Fragility and Building Resilience in Africa	Ongoing
Mainstreaming Green Growth in AfDB Strategies & Operations	Ongoing
+ADDED Self-assessment of IES	Completed
+ADDED Peer Review of the Evaluation Function	Completed
+ADDED Middle-Income Countries Technical Assistance Fund	Ongoing
+ADDED Implementation of the Development and Business Delivery Model (DBDM)	Ongoing

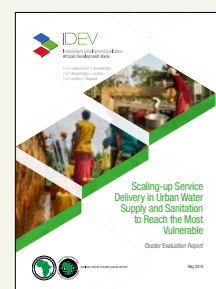
EVALUATION SYNTHESIS AND OTHER PRODUCTS

Decentralization	Subsumed in ongoing evaluation of DBDM
Board Efficiency and Effectiveness: Lessons from International Experience for the Bank	Done as comparative study, completed
Lines of Credit	Completed
Private Sector Development	Completed
+ADDED Bank's Partnerships	Ongoing
+ADDED Comparative Study of Sanctions Systems	Completed

ANNEX II: IDEV EVALUATIONS COMPLETED IN 2018



Reaching the most vulnerable: Scaling up Service Delivery in Urban Water Supply and Sanitation



What did IDEV evaluate?

IDEV conducted a cluster evaluation of 15 UWSS projects, which were approved and implemented in 2001–2016 by the African Development Bank. These projects are located in 12 countries: Cameroon, Republic of Congo, Ethiopia, Ghana, Kenya, Mauritania, Mauritius, Morocco, Mozambique, Senegal, Tanzania and the Comoros.

The purpose of this cluster evaluation was to: (i) assess the relevance, effectiveness, efficiency and sustainability of UWSS projects; and (ii) draw lessons from what worked and what did not work.

What did IDEV find?

Relevance – The project cluster objectives were relevant. Project designs had some weaknesses, including: (i) the lack of a holistic strategy to integrate all infrastructure activities together into a single development package; and (ii) some risks were not adequately addressed.

Effectiveness – The outputs of the UWSS projects were broadly attained, but there was uneven performance in improving access (outcomes) to sustained UWSS services. With regard to sanitation, although there were some success stories in wastewater management, sanitation in general remained a challenge for most project countries.

Efficiency – The projects in the cluster were economically viable, although they experienced substantial implementation delays. These delays were mostly due to slow loan ratification; procurement procedure issues; poor quality at entry; delays in the preparation of tender documents after loan approval; poor performance of contractors; and slow payments of government counterpart funds.

Sustainability – All project benefits were sustainable (except for projects in Mauritania, Senegal and the Comoros). For the projects with unsustainable benefits, financial viability was the weakest sustainability sub-criterion. The weak financial viability was due to the poor performance of UWSS utilities. The recurrent challenges related to: (i) the lack of staff, human-resources capacity and logistics; (ii) a high level of non-revenue water; and (iii) incomplete metering installations. Other challenges included: (i) high operating costs; (ii) poor coordination; (iii) mismanagement of resources; (iv) the lack of cost-sharing arrangements; and (v) a failure to collect debts.

What lessons⁶ did IDEV draw from the evaluation?

The preliminary lessons learned from this evaluation are as follows:

1. **Quality of feasibility studies:** Project design requires a sound preparatory phase, with adequate and updated feasibility studies, for successful subsequent implementation.
2. **Integrated urban water cycle and sanitation value-approach strategy:** UWSS projects need an integrated water cycle and sanitation value-chain approach if they are to maximize water supply results and resolve sanitation issues.
3. **Use of “state-of-the-art” technologies in UWSS:** The use of “state-of-the-art” technologies in UWSS is only relevant if they meet needed technology requirements and there is adequate availability of spare parts and relevant expertise.
4. **Sustaining water supply project benefits:** Since water supply projects can be undermined by poor utilities performance (technical, financial and commercial), addressing the shortcomings in the water utilities is a prerequisite to sustain the benefits.
5. **Reducing negative environmental impacts:** UWSS projects that include wastewater, sludge and solid treatment plant components, need systematic mainstreaming of in-depth environmental and social impact assessments to reduce the negative environmental impacts.
6. **Fostering the achievement of outcomes in UWSS projects:** UWSS projects need to address service delivery and behavioral change issues if they are to maximize the impact of the infrastructure built.

⁶ The lessons from the evaluation are not yet final. These are the preliminary lessons noted by IDEV.

Towards a Service Delivery Approach to Rural Water Supply and Sanitation



What did IDEV evaluate?

IDEV conducted a cluster evaluation of 16 RWSS projects, approved and implemented in 2000-2017 by the African Development Bank. These projects are located in 13 countries, Burkina Faso, Burundi, Chad, Ethiopia, Ghana, Mali, Mauritania, Rwanda, Senegal, Tanzania, Uganda, Zambia and Zimbabwe.

The main objective of this cluster evaluation was to draw pertinent lessons for policy and practice for designing and implementing RWSS projects. The key evaluation question for each project-level evaluation focused on the extent to which the RWSS projects were relevant, effective, efficient, and to which extent their benefits are likely to be sustainable.

What did IDEV find?

Relevance – The project cluster objectives were relevant. There were weaknesses in some design aspects, including: (i) assumptions and risk assessment; and (ii) the use of some of the RWSS guiding principles including the demand-driven approach, building partnerships, and coordination.

Effectiveness – The project had good outputs in terms of water provision and service delivery but less so for sanitation. Several issues threatened the achievement of outcomes including: (i) limited functionality of water schemes; (ii) poor water quality; and (iii) limited adoption of key hygiene practices among beneficiaries.

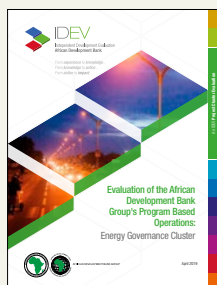
Efficiency – The projects were economically viable, with moderate cost variations. However, the projects suffered from substantial implementation delays. These delays were mainly due to procurement issues at early stages of the project or during implementation, start-up delays, and capacity constraints of contractors. Other reasons include slow payments of government counterpart funds, poor quality of execution studies, land acquisition issues, and increased scope of water technologies.

Sustainability – Technical viability was sound for water supply infrastructures, but less for sanitation facilities. Ownership and partnership were effective. However, shortcomings were raised for both water and sanitation in terms of: (i) capacity to operate and maintain the facilities, mainly when using community-based management models; (ii) financial viability; (ii) institutional capacity endangered by limited capacity, and (iii) environmental and social sustainability. In addition, high water demand, owing to rapid population growth and climate change, is likely to increase the challenge of obtaining sufficient water to meet needs.

What lessons⁷ did IDEV draw from the evaluation?

The lessons learned from this evaluation are as follows:

1. **Quality of project design:** Project executors need to pay sufficient attention to design studies, procurement-related issues, and capacity if they are to minimize implementation challenges.
2. **Community-based management model:** Community-based management under demand-driven approach is more impactful when it is effectively applied during the RWSS project life cycle.
3. **Capacity development within a decentralized system:** Capacity development for service delivery is needed in both private and public sectors, at all levels of implementation if RWSS projects are to maximize water results and solve chronic sanitation issues.
4. **Fostering an RWSS services delivery approach:** The RWSS projects need clear strategies to address poor service delivery, weak sanitation infrastructure and inadequate behavioral change, if they are to achieve substantial outcomes.
5. **Refining the M&E system toward service delivery and sustainability:** Comprehensive monitoring and supervision systems of rural services delivery and sustainability are critical to foster projects' development results.



Evaluation of the African Development Bank's Program Based Operations: *Energy Governance Cluster*

What did IDEV evaluate?

The evaluation of the energy governance cluster PBOs was one of seven components of a broader evaluation on the use of PBOs by the AfDB in 2012–2017. It examined eight PBOs focussed on energy, which the AfDB approved and implemented in five countries (Angola, Burkina Faso, Comoros, Nigeria and Tanzania) between 2012 and 2017. The objective of this cluster evaluation was to assess the relevance, effectiveness, efficiency and sustainability of energy-related PBOs conducted in the five countries, synthesize the results and draw relevant lessons for the future design and management of PBOs by the Bank. These lessons have relevance both for the organisation of work in the energy sector as a whole, and for the design and management of PBOs in general.

⁷ The lessons from the evaluation are not yet final. These are the preliminary lessons noted by IDEV.

The rationale for focusing on the Energy sector was the fact that the PBOs in this sector are highly relevant to the Bank's strategic priorities for the future – both because they align with the High 5, "Light Up and Power Africa", and because the role of PBOs for energy sector reform is explicitly recognised in the Bank's new structure.

What did IDEV find?

The evaluation found a satisfactory picture on the relevance of the Energy-related PBOs – based on their programming, design and broad adherence to the AfDB's PBO policy and guidelines and to international good practice.

The overall quality of the PBO mechanisms was rated as satisfactory in four of the five countries, with one (Angola) being rated as unsatisfactory. On the timeliness of disbursements and transaction costs, four of the PBO mechanisms scored highly satisfactory and one satisfactory. The mechanisms used also scored well for the quality of donor coordination, with all five scoring satisfactory.

Weaknesses were however detected in: (i) the quality of PBO design - notably in the quality of results frameworks, (ii) the absence of a strong medium-term perspective both in the PBO design itself as well as supporting arrangements for dialogue and technical assistance, and (iii) the ambiguity over the role of PBO funds in the achievement of the PBO objectives.

What lessons did IDEV draw?

Cluster evaluations do not seek to make recommendations, nor do they require a Management response, rather they seek to draw lessons from the Bank's project interventions across a thematic (sector) area. The lessons learned from this evaluation are as follows:

- 1. The need for a medium-term engagement:** Evidence from the case studies suggests that structural reform objectives targeted by PBOs can in most contexts only be attained through continuous and gradual change – consolidating improvements on a year-to-year basis, rather than trying to force rapid change. As a consequence, a lesson on the policy aspect is that, With the exception of Crisis Response Budget Support, PBOs should be structured as medium-term operations, based upon 3–4 tranches over the same number of years and, and should largely be a part of a sequence of multi-year PBO operations.
- 2. The need to maximise the effects of PBO's contribution to fiscal space:** Most Regional Member Countries approach the Bank to undertake PBOs for short-term financial assistance – to help protect fiscal space and/or facilitate macroeconomic stabilisation. The lesson drawn from the case studies is that careful attention needs to be given to the way this fiscal space is used, in order to ensure that it helps to address structural constraints as well as short-term needs. PBOs should aim to create a "bridge" between short-term macro relief and medium-to-long term structural reform.
- 3. Use of fiscal space:** The contribution to fiscal space is the most obvious benefit of PBOs and should therefore be used strategically to ease structural constraints in support of longer-term reforms. The AfDB's PBO policy and

guidelines should reflect this reality and should provide explicit guidance for the assessment of the contribution to fiscal space and for targeting its utilisation.

4. **Build on program of reform:** Sustainable results are achieved by building upon a well-established program of reform, to which the Bank has contributed over a number of years through investment lending, technical assistance and policy dialogue. PBO results build upon longer-term relationships with government, involving ongoing support, advice and analysis.
5. **Staffing and technical assistance:** For successful medium-term operations, the corresponding staffing and technical assistance for infrastructure need also to be in place, based on strong Country Offices able to conduct a continuous, strategic and analytical dialogue.



Evaluation of the African Development Bank's Program Based Operations: *Private Sector Enabling Environment Cluster*

What did IDEV evaluate?

The evaluation of the private sector environment cluster was one of seven components of a broader evaluation on the use of PBOs – Programme Based Operations by the AfDB. This cluster evaluation covered nine PBOs, focused on the PSE, as approved and implemented in five countries (Egypt, Ghana, Mali, Morocco and Seychelles) within the period 2012-2017. The objective of the PSE cluster evaluation was to assess the relevance, effectiveness, efficiency and sustainability of the PSE-related PBOs conducted in five countries (Egypt, Ghana, Mali, Morocco and Seychelles), and synthesize the results in order to draw relevant lessons for the future design and management of PBOs by the AfDB. These lessons have relevance both for the organisation of work on the PSE sector as a whole and for the design and management of PBOs in general.

The rationale for focussing on PSE was motivated by the fact that PBOs in this sector are current and highly relevant to the AfDB's strategic priorities for the future. The PSE is integral both to the AfDB's ten-year strategy (2013-2022) and to the AfDB High 5 priority, "Industrialise Africa". This evaluation therefore provided a complementary focus to that of the energy cluster evaluation.

What did IDEV find?

The evaluation found a largely satisfactory picture on the relevance of the PSE-related PBOs – based on their programming, design and broad adherence to the Bank's policy and guidelines, and international good practice.

The quality of PBO mechanisms was rated as satisfactory in three of the five cases (Egypt, Ghana and Seychelles), with the remaining two cases (Mali and Morocco) being rated as unsatisfactory. In most cases, the programming and design of the PBOs were compliant with internal guidelines and the timeliness of disbursements and transaction costs were adequate. However, policy dialogue, and coordination with other development partners were found satisfactory only in Egypt and Ghana.

Overall, the PBO instrument was relevant in strengthening PSE and governance related reforms. However, PBO design and delivery suffered from several weaknesses, notably: (i) the absence of a strong medium-term perspective, (ii) insufficiently prioritised results frameworks, (iii) a weak engagement in policy dialogue, and (iv) over-ambitious objectives. Weaknesses in the provision of technical assistance were also detected, partly explaining some limitations in the policy dialogue.

The performance of PSE related PBOs on Intermediate Outcomes was rated Satisfactory, with bold reforms undertaken by the RMCs in most targeted outcome areas reviewed. At outcomes level, PBOs have contributed modestly to landmark reforms.

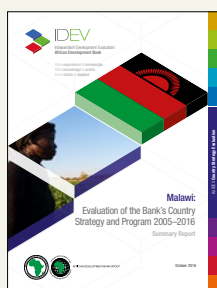
What lessons did IDEV draw?

The lessons learned from this evaluation are as follows:

1. **Strategic relevance:** Although PBOs entail some inherent limitations, they have become an integral part of the AfDB's portfolio and have played a strategic role in the wider support provided by the AfDB in the five countries reviewed.
2. **PBO's focus:** Creating a conducive private sector environment starts with ensuring a stable macroeconomic context, strengthening public sector governance (including procurement rules) and improving access to key (e.g. energy) infrastructure.
3. **Sustained multi-level support:** The medium to long-term nature of deep structural economic transformation has not been sufficiently taken into account in PBO design and programming
4. **Capacity:** The case studies show tangible evidence that the AfDB has managed to seize opportunities created by the PBO instrument in key areas of reform.
5. **Collaborative efforts:** All cases highlight the importance of collaborative (Development partners) efforts to help governments to implement complex reforms in key structuring areas.



COUNTRY AND REGIONAL EVALUATIONS



Malawi: Evaluation of the Bank's Country Strategy and Program 2005-2016

What did IDEV evaluate?

IDEV evaluated the AfDB's Country Strategy and Program in Malawi from 2005 to 2016, during which period the Bank approved 46 projects worth approximately USD 576 million. The evaluation focused on both strategic and individual interventions in Malawi, in all sectors (Social, Transport, Water and Sanitation, Agriculture, Multisector – Financial Governance, and Private Sector Development). The main objective of the evaluation was to inform the next CSP and to contribute to both accountability and learning in the Bank as well as in countries where the Bank's program is similar to that of Malawi.

What did IDEV find?

Relevance – The Bank strategy and assistance to Malawi was satisfactory. The Bank's strategies were aligned with the priorities of the Government of Malawi and continued to adapt to changes in national development plans as they evolved over time.

Effectiveness – This performance dimension was found satisfactory. The available Project Completion Reports (PCRs) reflected a satisfactory level of performance in terms of achievement for both outputs and outcomes. It should be noted that the PCRs took account of the definition of expected results from a post-mid term review, which according to the majority of PCRs, had considerably reduced expected output and outcome targets.

Efficiency – This performance dimension was rated unsatisfactory. The Bank's interventions were associated with implementation delays, largely due to non-compliance with the Bank's operational standards as well as the country's capacity constraints.

Sustainability – Sustainability was rated as unsatisfactory. None of the completed projects under review had reached a post-closure period of 5 years, which made it challenging to assess sustainability.

Cross-cutting issues – The Banks program was rated satisfactory in terms of the mainstreaming of cross-cutting issues such as gender, regions, and environmental sustainability into Bank interventions.

What did IDEV recommend?

1. **Results-based Management:** Enhance the capacity of the Bank's officers and managers in using Results-based Management tools, including theory-based design, results-based logical frameworks, results-based contracting, outcome-focused supervision and management of interventions.
2. **Staff proficiency:** Enhance the proficiency of the Bank staff to effectively operate in the business ecosystems in which key sector actors operate, and to design interventions that are holistic enough to stimulate the private sector's investment and actions.
3. **PFM systems:** Since the Bank and development partners are pressing for effective and efficient PFM systems, the Bank should establish a clear timeline within which all required performance standards are met and proven.
4. **Knowledge management:** The Bank should redesign its knowledge management practices to address the need for access to information and develop explicit and as well as implicit knowledge in its Operations Divisions to improve the decision-making capabilities of the Bank and its clients.
5. **Sustainability:** The Bank should take concerted actions throughout the project cycle to ensure sustainability of its interventions.
6. **Gender issues:** The Bank should ensure that its interventions and strategies provide equality and equity between genders and provide the means to manage, track and report on these objectives.

What did Management respond?

Management acknowledged IDEV's independent evaluation report on the Bank's development assistance to Malawi covering the period 2005–2016. They were pleased to note that the evaluation found as satisfactory the relevance and alignment of the Bank's past strategies to the development needs of Malawi, and that the Bank interventions were largely effective in delivering satisfactory results in knowledge management, policy advice and integrating crosscutting issues. The new CSP (2018–2022) has taken into account the findings, lessons and recommendations of the evaluation.



Cabo Verde: Evaluation of the Bank's Country Strategy and Program (2008-2017)

What did IDEV evaluate?

The evaluation covered two Country Strategy Programs that the AfDB implemented in Cabo Verde, between 2008 and 2017. During the period in review, the AfDB supported 26 interventions that were worth close to USD 297 million. During the evaluation period, the Bank had interventions in the areas of governance, infrastructure, water management and climate change adaptation and mitigation. The evaluation assessed the development results of the AfDB's interventions in Cabo Verde over the 2008-2017 period and distilled lessons to feed into the preparation of the new Country Strategy Program.

What did IDEV find?

Relevance – The Bank's assistance to Cabo Verde was deemed relevant. Overall, the Bank's CSP was well aligned with the national development priorities and AfDB corporate priorities, with the exception of regional integration. While the design of the CSP proved to be overly ambitious, what was actually delivered was reasonably selective and focused.

Effectiveness – The effectiveness of the Bank's operations was satisfactory. The main strategic outputs of the Bank's support were achieved, although outcomes were more difficult to achieve for the three clusters (governance, infrastructure, and agriculture and water management). In some cases, this was related to the weak synergies among pillars.

Efficiency – The Bank's operations were not delivered efficiently. Severe delays negatively affected the implementation of the infrastructure operations. Likewise, the Trust Fund projects that supported various interventions (i.e. governance, climate change mitigation, and agriculture and water management) were hampered by delays and implementation bottlenecks.

Sustainability – The country strategies incorporated a good analysis of factors that would likely affect program sustainability but failed to implement sufficient mitigation measures.

What did IDEV recommend?

1. **Government-led reforms:** The Bank should continue to support government-led reforms aimed at boosting inclusive growth and fiscal sustainability, but this should be underpinned by a better understanding of binding constraints.
2. **CSP pillars:** The new CSP should identify ways to maximize synergies across the Bank's strategy pillars.

3. **Results reporting framework:** Strategic results should be agreed upon with the national authorities and be regularly tracked. This would aid policy dialogue and help to prioritise the reform agenda.
4. **New strategy:** The new strategy should put more emphasis on project quality and sustainability.
5. **Micro, Small and Medium Enterprise:** Scale-up interventions and reforms in micro, small and medium enterprises to boost employment and to make the growth process more inclusive.
6. **Watershed management programs:** Make watershed management programs more sustainable by integrating agricultural value-chain development and mainstreaming climate change adaptation and mitigation.
7. **Country Presence:** Strengthening the Bank's in-country presence for policy dialogue is encouraged, at least with a Portuguese-speaking focal point based in Praia.

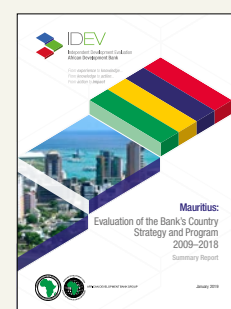
What did Management respond?

Management welcomed the results of the independent evaluation of the Bank Group's assistance and contribution to the development of Cabo Verde over the period 2008–2017. Overall, they agreed with the findings of the report and, in particular, the fact that the Bank had been a reliable partner for the Government of Cabo Verde. Management affirmed that the findings and recommendations of the evaluation would be taken into account when developing the Bank's new Strategy for Cabo Verde (2019–2023).

Mauritius: Evaluation of the Bank's Country Strategy and Program (2009–2018)

What did IDEV evaluate?

IDEV evaluated the AfDB's Country Strategy and Program in Mauritius from 2009 to 2018. During the evaluation, the Bank's assistance to the country, which was spread over 10 operations, totaled USD 854 Million. The AfDB mainly intervened in the sectors of energy, transport, governance and private sector development (financial and banking). The purpose of the evaluation was twofold. First, to assess the extent to which the planned development results from key Bank's interventions in Mauritius had been achieved, the reasons for their achievement or lack thereof. Second, to provide recommendations to inform the next Country Strategy and Program.



What did IDEV find?

Relevance – The Bank assistance was overall relevant with few shortcomings. The AfDB's country strategies were well aligned to the Government of Mauritius's (GoM's) strategic plans at the design stage and well represented the requests made by the GoM to the Bank for support. However, there was notable deviation between the indicative lending program and the actual portfolio due to the government's reluctance to utilize sovereign loans.

Effectiveness – The effectiveness of the Bank's assistance was deemed unsatisfactory. While the Bank managed to deliver most of the output of the approved operations, many of the planned operations did not materialize, limiting the Bank's contribution to country development outcomes. This was due in part to the GoM's changing priorities and to its reluctance to use AfDB's sovereign loans.

Efficiency – The efficiency dimension was found to be unsatisfactory. The Bank's operations in Mauritius during the evaluation period faced significant implementation delays. The main reasons were related to changes in the country context, noncompliance with disbursement conditions, the Bank internal procurement processes and lack of capacity and turnover of staff at the executing agencies.

Sustainability – Sustainability was seen as likely. Overall, the Bank's contributions in various sectors have either been sustainable (e.g. energy) or have the potential to have enabled the country to proceed with bankable and sustainable infrastructure and other projects (e.g. dams, ports, Mauritius Commercial Bank).

Crosscutting issues – This performance dimension was rated unsatisfactory. While the Bank's strategies contain a section that deals with social context, gender and youth issues, they do not articulate how to address these issues.

Knowledge and policy advice – The Bank's policy dialogue and advisory services did not meet the GoM's expectations, especially in terms of the speed and quality of technical knowledge transfer

What did IDEV recommend?

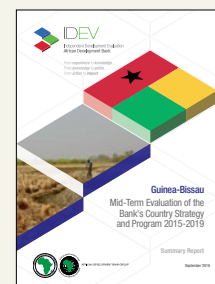
- 1. Strategy alignment:** In designing its strategy, the Bank should consider scenarios that are based on the country's willingness to use Bank resources and maintain strategic dialogue with the country when there are changes in leadership or policy orientation.
- 2. Private sector development:** On private sector development, consider suitable financing mechanisms including partial risk guarantees, loan syndication and private equity participation in Mauritian firms that have investments in the country.
- 3. Use of program-based operations:** Adopt a programmatic approach to PBOs to allow the Bank the flexibility to adjust to the country's changing environment, and to devise alternative instruments and adequate resources to enable it to respond effectively and rapidly to the expectations of the country.

4. **Policy dialogue and advisory services:** The Bank needs to devise alternative instruments and adequate resources to enable it to respond effectively and rapidly to the expectations of the country in terms of advisory services and policy dialogue.
5. **Crosscutting issues:** The Bank should strengthen the mainstreaming of cross-cutting issues in the design and implementation of the CSP, in particular youth employment and gender equality in the labor market.

What did Management respond?

Management welcomes IDEV's report on the Bank's operations in Mauritius for the period 2009 to 2018. Management wishes to highlight the progressive improvements and flexibility in implementing programs over the period. These achievements are testimony to the combined effort of the Bank and the Government of Mauritius (GoM) as well as the support of development partners. The CSP for the period 2019-2023 will be designed taking into account lessons learned from this evaluation and its recommendations. In this regard, the evaluation report is timely and of great relevance for future Bank work in Mauritius.

Mid-Term Evaluation of the Guinea Bissau Country Strategy and Program



What did IDEV evaluate?

IDEV carried out a mid-term evaluation of the AfDB's Country Strategy and Program in Guinea-Bissau for the period 2015-2019. Implemented in a context of fragility, the CSP aims to contribute to national stability and economic recovery, through two pillars: strengthening the foundations of the State and building infrastructure that promotes inclusive development. The main objective of the evaluation was to assess the performance of the Bank during the implementation of first phase of the CSP (i.e. 2015-2017) and draw lessons and recommendations that could inform the implementation of the second phase (i.e. 2017-2019) as well as the preparation of the next CSP.

What did IDEV find?

Relevance - The relevance of the Bank's action was deemed generally adequate in terms of its response to Guinea-Bissau's development needs and challenges. However, findings from the evaluation indicate that the Bank was not sufficiently selective in the choice of interventions. In addition, approved projects encountered issues of quality-at-entry and had a narrow scope to achieve maximum

development impact. Nevertheless, three of the Bank's interventions, namely: the Rice Value Chain Development Project, the Emergency Economic and Financial Reform Support Program, and the Administrative Capacity-Building Support Project, had the highest likelihood of reducing fragility conditions.

Effectiveness – The expected mid-term outcomes of the CSP were not achieved. Evidence showed that it was highly unlikely that the expected project outcomes would be achieved at the end of the current CSP cycle. As well as the prevailing political and institutional instability, the lack of realism in planning, the absence of a long-term sector vision, and the focus on outputs, limited the ability of the Bank's operations to produce the expected outcomes.

Efficiency – The implementation of the program had not been efficient. The overall disbursement rate of the portfolio was only 23.1% at the end of February 2018 with significant delays noted in all projects.

Sustainability – The sustainability of the Bank's interventions, as well as that of the related benefits after project completion, was deemed unsatisfactory. The country was unlikely to sustain the achievements of the implemented projects due to its limited technical and financial capacity.

Gender and Inclusion – While there is evidence of the Bank mainstreaming gender at the strategic level, the emphasis on gender and inclusivity was rather limited at the project design stages.

The Bank's performance – Given the formative nature of the evaluation, and the fact that most operations were still ongoing, there is a probability that these operations may achieve improved results if the country remains politically stable and the Bank improves the management of its portfolio.

What did IDEV recommend?

1. **Adapt the Bank's assistance to the particular context of Guinea-Bissau:** Namely, increase the resources and attention devoted to Guinea-Bissau, continue the high-level dialogue initiated with the country, devote adequate time and expertise to operations monitoring, decentralize project decision-making to the extent possible and adapt the Bank's processes to the country's needs.
2. **Proof of concept:** Show proof of innovation in the next CSP by adopting a program-based approach.
3. **Quality assurance:** Improve the quality of the Bank's portfolio in Guinea-Bissau.
4. **Capacity development:** Develop a results based-approach for capacity development in the country that is in line with the institutional realities of the country.
5. **Country presence:** Increase the Bank's presence in Guinea Bissau by creating a permanent program coordination function that includes M&E.
6. **Gender mainstreaming:** Mainstreaming gender in the design of projects should go beyond quotas for participation of women to integrating approaches and actions that directly target inequalities between men and women.

7. **The Rice Value Chain Development Project:** Improve project supervision and monitoring and sensitize community leaders on gender issues.
8. **The Administrative Capacity-Building Support Project:** Define a sustainability plan for the project's achievements that includes the development of a business plan.
9. **The Economic and Financial Governance Revitalization Support Program:** Determine short and medium term capacity-building outcomes and undertake a study on capacity building and skills development.
10. **For the Government of Guinea-Bissau:** Strengthen coordination and sustainability of Bank projects, ensure the timely release of national counterpart funds, revive the coordination and thematic dialogue frameworks, continue with the consolidation of the cash-flow and the streamlining of public finance management and integrate crosscutting issues into future operations.

There is no Management Response because this was a mid-term evaluation.



Independent Evaluation of AfDB Program Based Operations (PBOs) 2012-2017



What did IDEV evaluate?

The purpose of the Program Based Operation (PBO) evaluation was to report on how the Bank had been using the PBO instrument for the period 2012 to 2017. The Bank approved PBOs worth UA 7.2 billion (USD 10.2 billion) during the period under review. This evaluation assessed how the Bank had used PBOs, since the PBO Policy was approved in 2012, and drew lessons and recommendations to help the Bank to use the PBO instrument more effectively in the future.

What did IDEV find?

Relevance – The evaluation found that PBOs remained a relevant and useful instrument for the Bank and its clients, although challenging to design and to manage effectively. There was good alignment with the priorities of the countries and with the Bank priorities. In terms of the design of PBOs for results, the overall picture was satisfactory, though with shortcomings. Over a third of the PBO results frameworks that were assessed did not meet the satisfactory bar due to weaknesses in the logic of the results chain.

Effectiveness – The effectiveness of PBOs was deemed satisfactory, based on the areas that were covered in-depth – namely PSE, energy reforms, and public financial management. Across the components that were assessed, two thirds were found to be satisfactory in terms of the achievement of “landmark reforms” – reforms with the potential to drive change and contribute to transformative outcomes. However, the influence of the Bank on achievement of landmark policy changes was not always evident.

Efficiency – At portfolio level, time-efficiency in terms of disbursement and implementation of PBOs showed a broadly positive picture. Where the efficiency and transaction cost story was negative, was with the technical assistance or institutional support provided to support PBOs.

Sustainability – Overall, the prospects for sustainability for PBOs in the sectors examined (PSE, energy and public financial management) were unsatisfactory, though this average masked important differences. Four (Egypt, Morocco, Seychelles and Tanzania) out of the ten cases examined had good overall prospects for sustainability. The four cases had, at their foundation, strong government ownership and leadership, and they had strong prospects for financial sustainability.

What did IDEV recommend?

IDEV made the following recommendations to Bank management:

1. **Update or complement the PBO guidelines:** Appropriately reflect the Bank's response to the 2017 G20 principles on coordination with the International Monetary Fund and provide detailed guidance to staff on the challenging areas of results frameworks.
2. **Enforce the provisions of the PBO Policy:** Use non-programmatic operations and consistently conduct fiduciary risk assessments, while also ensuring proposed risk mitigation measures can address the identified risks within the timeframe of the planned PBO.
3. **Focus on medium-term support:** Design all future PBOs with a focus on medium-term support to a limited number of reform areas from within the broader government reform plans. Provide support through programmatic PBOs to a clearly defined multi-year reform path, noting how the Bank might accompany reform processes over the medium term through one or more PBOs.
4. **Reflect in practice the vital role of policy dialogue in PBOs:** Clearly set out processes and policy dialogue, aligning practices with plans in the PBO Policy

and the DBDM, and ensure budget lines for PBO appraisal and supervision take account of the need to involve the appropriate range of expertise. Back PBOs with appropriate and timely expertise and capacity support.

5. **Capacity Support:** Back PBOs with appropriate and timely expertise and capacity support by refining and expanding the Bank's menu of options for providing expertise and technical assistance.
6. **Invest in PBO supporting infrastructure:** Invest in continuous training for staff and in upfront analytical work to support PBO design and the focus of policy dialogue and capacity support. Review the extent to which the Bank's quality assurance processes are appropriate for PBOs.

What did Management respond?

Management welcomed the findings and recommendations of the evaluation, which it considered to be useful in further improving the Bank's important work in providing PBOs. Management fully agreed with five of the recommendations and partially agreed with one – Aligning practices with plans in the PBO Policy and DBDM by more clearly allocating responsibility for PBO design and management to country offices and regions. Management has designed a set of actions to respond to each recommendation.

Evaluation of the Congo Basin Forest Fund (CBFF)

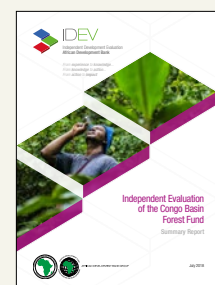
What did IDEV evaluate?

The Fund aims at alleviating poverty and mitigating climate change by reducing the rate of deforestation in the Congo Basin through the efficient management of its forest resources. The main purpose of this independent evaluation of the CBFF was threefold: to see what worked and didn't, and why; to inform donors, the CBFF Governing Council and Bank's Board of Directors on the way forward for the CBFF; and to ensure accountability for CBFF investments.

What did IDEV find?

Relevance – Overall, the CBFF performed well and the strategic coherence of the CBFF portfolio is highly satisfactory.

Effectiveness – The overall effectiveness the CBFF portfolio is rated satisfactory notwithstanding the notable variation in project performance against a number of criteria. More than half of the projects which were funded and implemented, were effective.



Efficiency – The efficiency of the CBFF portfolio is unsatisfactory, resulting from the limited value for money, significant project implementation delays, and mismanagement of the fund.

Sustainability – Sustainability of CBFF portfolio results is unsatisfactory. It is unlikely that without further external funding support, especially for capitalizing individual project achievements, including the innovations, the project will see sustainability.

Governance and Management – Overall, the governance and management of CBFF has been unsatisfactory, though specific aspects have improved over time. The haste to get the fund up and running was at the root of many of its under achievements.

What did IDEV recommend?

The evaluation made the following recommendations:

1. **Completion phase:** The CBFF and its Governing Council should ensure a full and considered completion phase for the CBFF.
2. **Lessons learned:** The CBFF Secretariat should invest in capturing and capitalizing on lessons learned.
3. **Forest and climate trust funds:** The AfDB should consider continuing to use a trust fund, such as the CBFF, as one of its tools and funding mechanisms in the forest and climate sector.

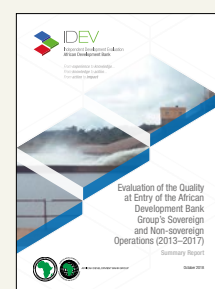
What did Management respond?

Management welcomed the evaluation and asserted that the report provided observations and analyses that would inform the Bank's intervention and ultimately strengthen the impact of its ongoing and future investments in climate change mitigation and adaptation. The operational lessons learned from the management of the CBFF would be invaluable to improving the operations of the Bank's existing trust funds.



CORPORATE EVALUATIONS

Evaluation of the Quality at Entry of African Development Bank Group Operations (2013–2017)



What did IDEV evaluate?

This evaluation covers both sovereign operations (SO) and NSOs approved between 2013 and 2017. The main objectives of the evaluation were (i) to assess the QaE of the Bank's operations against an evidence-based standard; (ii) to examine the extent to which the Bank's conceptual and procedural framework for quality influenced the QaE of new operations as well as strategic decision-making; and (iii) to derive recommendations to inform the Bank's forward-looking quality agenda. QaE is defined as the state of preparedness that makes a project likely to be implemented efficiently, likely to achieve its intended development outcomes, and, in the case of NSOs, likely to be repaid according to the agreed terms. The evaluation was in response to the many challenges noted over the past two decades, about the QaE of the Bank's operations.

What did IDEV find?

The Bank's Conceptual Framework for Quality at Entry

Evaluability and **implementation readiness (IR)** are significant factors in predicting the achievement of outcomes, as well as the implementation progress of sovereign investment projects. However, the existing QaE tools for SOs do not sufficiently address factors that predict the achievement of development outcomes and the likely performance of projects. Moreover, during the *project preparation and appraisal* phase, the Bank does not carefully assess key contextual factors that can affect the QaE, and hence, the implementation progress of sovereign investment projects. Not addressing *evaluability* and *IR* could explain why, despite the consistent implementation of existing tools, the QaE of SOs and PBOs has not improved significantly over the evaluation period.

For NSOs, the Bank's existing conceptual framework for QaE is aligned to that of comparators with respect to selectivity and credit risk management. However, the Bank has yet to start focusing on the evaluability of NSOs, and on their contribution to private sector development.

The Bank's Procedural Framework for Quality at Entry

The Bank's existing project preparation process for SOs does not differentiate among projects on the basis of risk, thus affecting the efficiency of resource allocation. In addition, the process has several sequential reviews and clearances, rather than leveraging inclusive decision meetings. The project brief and the PPFs are not strategically used to improve project design quality, and manage resource allocation for project preparation and appraisal. Compared to other MDBs, the Bank's process does not promote contestability, independence and verification in the review processes.

For both SOs and NSOs, the Bank lacks a mechanism to ensure that the feedback on QaE is addressed in a verifiable way, thus, limiting the integration of feedback provided during project preparation and appraisal. For NSOs, there is a gap between the credit risk and legal functions, such that the conditions precedent, recommended by the credit risk function, are not always reflected in the loan agreement.

Whereas the project preparation and approval process is standardized, the Bank lacks an integrated platform for the management of project data, limiting its use to support strategic decision-making.

What did IDEV recommend?

1. **The review tools:** Enhance the relevance and effectiveness of the Readiness Review and Peer Review.
2. **The quality assurance review process:** Increase the effectiveness and efficiency of the quality review process.
3. **Counterpart readiness:** Improve the readiness and capacity for public investment management of the Regional Member Countries.
4. **Planning and budgeting:** Strengthen the Bank's Indicative Operational Program and resource allocation for project preparation.
5. **Business development:** Increase the use of project preparation facilities to promote project quality at entry.
6. **Staffing and training:** Improve staff capacity for effective project management through training and adequate staffing.
7. **Incentives and resources:** Strengthen the incentives for portfolio quality.
8. **Quality at entry of NSOs:** Identify a framework for reinforcing the evaluability of NSOs.
9. **Credit risk of NSOs:** Strengthen mechanisms for identifying and mitigating corporate governance and credit risks of NSOs.

10. Corporate governance risk of NSOs: Increase emphasis on corporate governance risks among non-sovereign operations

What did Management respond?

Management welcomed IDEV's efforts to assess the Quality at Entry (QaE) of the AfDB's operations and to provide lessons that could improve operational quality and enhance the Bank's effectiveness in achieving the goals of its Ten-Year Strategy and the strategic objectives of the High 5s. Management noted that it had identified several reform areas that provided a framework for considering IDEV's evaluation recommendations, based on the findings of the evaluation, as well as on Management's own assessment of the Bank's quality management systems.

Evaluation of the Quality of Supervision and Exit of African Development Bank Group Operations (2012–2017)



What did IDEV evaluate?

IDEV conducted an evaluation of the quality of supervision and exit processes of both the public and private sector operations of the AfDB between 2012 and 2017. Through this evaluation, IDEV sought to assess the extent to which the Bank's project supervision system is relevant, adequate and aligned with best practice; the performance of the Bank's QA framework during project implementation and completion; and the factors that shape supervision effectiveness. It also derived lessons that would inform the Bank's future use of supervision under its transformation agenda.

What did IDEV find?

Overall, the evaluation found that the Bank is making efforts to improve its supervision practices and that there is momentum towards achieving quality in relevant areas, such as attention for project support and performance by the Senior Management.

Relevance and compliance

Supervision policies, guidelines and tools were found to be largely relevant and clear. However, the evaluation noted that the complementarity, use and follow up of supervision tools and supervision teams requires strengthening, and that monitoring and reporting on development outcomes was weak. In particular, with regard to public sector projects, the evaluation showed consistent progress

on portfolio monitoring, but also noted that project supervision is not sufficiently proactive and mechanisms to ensure candid reporting are very limited. The Bank's management information system does not adequately support monitoring, knowledge generation and learning.

Performance

Concerning private sector operations, it was established that the risk-based approach to supervision was adequate, but decision points and timeline to address problematic projects need to be better defined. The evaluation noted that at the project level, there was need to put in place M&E systems with sound project logic and ensure appropriate data collection. Weaknesses were noted in the reporting of results and in the capturing of lessons, both for public and private sector operations. The Bank has challenges in institutionalizing a culture of quality and results, like incentivizing staff, mobilizing all the crucial skills, and strengthening accountability in project supervision.

What did IDEV recommend?

IDEV made a number of recommendations to the Bank:

1. **Proactive project management:** Improve the management of risks and project performance.
2. **Compliance with the Bank's rules:** Ensure adherence to quality standards for supervision and completion.
3. **Enhance quality of reporting:** Increase the evidence base and credibility of results reporting.
4. **Incentives:** Strengthen incentive measures to support a results and quality culture.

What did Management respond?

Management welcomed IDEV's efforts to assess the Quality of Supervision (QoS) of the AfDB's operations and to provide lessons that could improve operational quality and enhance the Bank's effectiveness in achieving the goals of its Ten-Year Strategy and the strategic objectives of the High 5s. Management noted that it had identified several reform areas that provided a framework for considering IDEV's evaluation recommendations, based on the findings of the evaluation, as well as on Management's own assessment of the Bank's quality management systems.

Evaluation of Quality Assurance across the Project Cycle of the African Development Bank Group (2012-2017)



What did IDEV evaluate?

IDEV conducted an evaluation of quality assurance (QA) across the Project Cycle for both public and private sector operations of the AfDB, during the period 2012-2017. It built upon the two stand-alone evaluations of *Quality at Entry (QaE)*, *Quality of Supervision*, and *Exit*. It also analyzed the quality assurance processes for compliance with the Bank's Environmental and Social Safeguards. The evaluation was based on a sample of operations that were each worth over USD 1.4 million, excluding emergency and equity operations. The Bank's "Quality Assurance Framework" is a series of reviews and processes that the Bank carries out at each stage of the project cycle to ensure quality. The evaluation sought to determine the extent to which the Bank's QA processes (across the project cycle) are appropriate, comply with QA standards, address risk management, and contribute to organizational learning as well as to the achievement of development outcomes.

What did IDEV find?

Overall, the evaluation noted a positive trajectory in the direction of the Bank's quality assurance reforms, which sought to improve project quality and ensure the achievement of development results.

Relevance – The Bank's current system of QA is assessed as relevant and aligned to best practices but lacks an integrated data system for managing operations across the project cycle.

Effectiveness – The Bank's current QA framework at entry presents gaps in relation to key factors identified as best practices to ensure the effectiveness of the QA processes: independence, contestability and verification.

The current supervision framework of public and private sector operations remains relevant and useful thanks to recent reforms and enhanced efforts from management. Improvements in portfolio monitoring and actions to further engage senior management are improving the efficiency of operations, but attention to project-related issues during monitoring and supervision is crucial.

The Bank has a high project per task manager ratio for both public and private sector operations and does not have adequate nor standardized training to support task managers in the performance of their role – The number of QA ecosystem staff supporting Bank projects, such as risk and legal specialists, fiduciary staff, Environmental and Social Safeguards experts are also limited to match the growth of the portfolio.

The Bank's requirements with respect to assessing and managing environmental and social risks across the project cycle have been further clarified with the new ISS, but are still too concentrated in due diligence before approval.

Key Performance Indicators at the Bank are mostly linked to approvals and disbursement – This creates contradictory incentives for Bank staff, favoring approvals over quality designs and disbursement over achievement of DO and capturing key lessons to improve future interventions.

What did IDEV recommend?

1. **The Quality Assurance Review Process:** Increase the effectiveness and efficiency of the quality review process.
2. **Business Development:** Increase the use of project preparation facilities to promote project quality at entry.
3. **Planning and Budgeting:** Strengthen the Bank's Indicative Operational Program and resource allocation for project preparation and supervision.
4. **The Review Tools at Entry:** Enhance the relevance and effectiveness of the Readiness Review and Peer Review.
5. **Quality of NSOs:** Identify a framework for reinforcing the evaluability of non-sovereign operations (NSOs).
6. **Credit Risk of NSOs:** Strengthen mechanisms for verifying the mitigation of credit risks for non-sovereign operations.
7. **Corporate Governance Risk of NSOs:** Increase emphasis on corporate governance risks among NSOs.
8. **Counterpart Readiness:** Improve RMC readiness and capacity for Public Investment Management.
9. **Proactive Project Management:** Improve management of risks and project performance
10. **Compliance with Bank Rules:** Ensure adherence with quality standards for supervision and completion.
11. **Staffing and Training:** Enhance the capacity of staff to manage projects effectively.
12. **Incentives:** Strengthen incentives for portfolio quality.

What did Management respond?

Management welcomed IDEV's efforts to assess the Quality at Entry (QaE) and the Quality of Supervision (QoS) of AfDB's operations and to provide lessons that could improve operational quality and enhance the Bank's effectiveness in achieving the goals of its Ten-Year Strategy and the strategic objectives of the High 5s. Management noted that it had identified several reform areas that provided a framework for considering IDEV's evaluation recommendations, based

on the findings of the evaluations, as well as on Management's own assessment of the Bank's quality management systems.



EVALUATION SYNTHESSES AND OTHER PRODUCTS

Do Lines of Credit Attain their Development Objectives?



What did IDEV examine?

By looking at 12 recent evaluations of LOCs, this synthesis assessed the extent to which LOCs are a relevant, cost-effective, and sustainable instrument in increasing access to finance and fostering inclusive growth. It suggests points for consideration by International Financial Institutions (IFIs) which employ LOCs in terms of design, implementation and evaluation.

LOCs are long-term loans, in either local or hard currency, provided by an International Financial Institution (IFI) to a Financial Intermediary for on-lending to their customers, also referred to as sub borrowers, or end-beneficiaries.

The synthesis built upon: (i) findings from evaluations of LOCs carried out by IFIs between 2010 and 2017, and from a broader literature review of relevant publications; (ii) interviews with subject-matter experts both within and outside AfDB; (iii) focus group interviews with AfDB's task managers and higher-level managers; and (iv) an internal workshop with staff.

What did IDEV find?

Relevance – Evaluations reviewed and subject-matter experts interviewed consider LOCs to be relevant for IFIs and client Financial Intermediaries. LOCs are well aligned with IFI strategies for private sector and financial sector development.

The relevance of LOCs to the end-beneficiaries however is more open to debate as it can be a challenge to find a balance between achieving risk and profitability in IFIs and client FIs on the one hand, and providing financial services to underserved but riskier market segments on the other hand

Effectiveness – The effectiveness of LOCs is often questionable because information at the end-beneficiary level for analysing the development results through the evaluation criteria are missing.

Efficiency – The efficiency of LOCs was satisfactory when measured in terms of LOC profitability for the IFIs, disbursement rates, and time. However, the design of LOCs is often not underpinned by sufficient analytical work.

There were no reliable data on the impact of LOCs on the final beneficiaries in terms of improved profitability or employment levels. Similarly, there were no data on the impact of green LOCs on energy efficiency and energy consumption.

The efficiency of LOCs is satisfactory when measured in terms of LOC profitability for the IFIs, disbursement rates, and time. LOCs positively contribute to the performance of IFIs' portfolios by increasing their margins and reducing risk, which also creates strong internal incentives in favour of LOCs.

Sustainability – The sustainability of LOCs is not well known largely because the concept of sustainability deals with the likelihood of development impacts that continue after the closure of a project and the withdrawal of the IFI.

Inadequate monitoring and reporting on the effective implementation of such environmental and social standards are a source of issues relating to the accountability and transparency of LOCs. They also can lead to significant reputational damage to the IFIs.

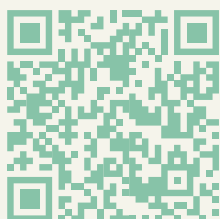
What did IDEV take away?

The synthesis provides a number of “points for consideration”:

- 1. Reporting obligations on development results:** IFIs need to be more accountable and transparent in their reporting on LOCs' effectiveness and be more proactive in holding IFIs to account for reporting on LOCs' development objective obligations.
- 2. Ex-ante scrutiny of the business case for LOCs approvals:** First, IFIs should underpin LOCs rationale and design through analytical work to make more realistic assumptions about how LOCs will contribute to improving access to finance for underserved market segments. Second, IFIs should tighten up LOCs covenants to identify eligibility criteria that can be consistently implemented by partner Financial Intermediaries and are aligned to the LOCs objectives. Finally, the selection of IFIs should be based on a clear commitment to serve a certain market segment.
- 3. Effective M&E systems:** Effective M&E systems are needed to address LOCs transparency and accountability problems
- 4. Resources:** Provide resources for other instruments to address the binding constraints of the demand side of access to finance, in parallel with LOCs.

5. **The capacity of IFIs:** Staff competence requires strengthening expertise in: (i) banking and the private sector financial needs and how to address them; and (ii) ex-ante assessment including compliance with E&S standards within FIs; and (iii) monitoring and evaluation.
6. **Harmonize IFIs' approaches towards LOCs:** The harmonization of procedures is needed to reduce the transaction costs for beneficiary FIs
7. **Portfolio approach:** A portfolio approach is appropriate to assess whether a LOCs has had any impact on an FI business model. However, for measuring outcomes of LOCs for end-beneficiaries, the evaluations reviewed by this synthesis failed to show any evidence that the portfolio approach was superior to the pipeline approach.
8. **Environmental and social management systems:** IFIs should ensure that the client FIs have appropriate and effective environmental and social (E&S) management systems in place and the capacity for E&S monitoring at the sub-borrower level.
9. **Communication:** IFI's should communicate their LOCs lending policy as widely as possible, to help foster competition between FIs and provide information to SMEs to make them aware of IFIs' funding.
10. **Fragile situations:** FIs should find ways to extend their financing instruments to SMEs in fragile situations, including by supporting microfinance bank branches.

ANNEX III: CAPACITY DEVELOPMENT AND KNOWLEDGE SHARING WEBINARS



How do Organizations Learn?

This webinar, held on 18 January, looked at theoretical perspectives from management science and industrial organizational psychology to identify a theory for how organizations learn. With the aim of contributing to the AfDB's organizational learning agenda, the webinar reflected on IDEV's own experience to explore the implications these perspectives have on planning for learning and the use of evaluation.

[Click here](#) or scan this QR code to download presentation and watch webinar.



The use of evidence in African legislatures: The role of parliamentary networks

IDEV in collaboration with the African Development Institute at the AfDB, hosted a webinar on 27 April, on the use of evidence in African legislatures. This webinar showed participants how the African Parliamentarians' Network for Development Evaluation (APNODE) is working to increase demand for evaluation at the legislative level as well as some of the challenges and constraints it faces.

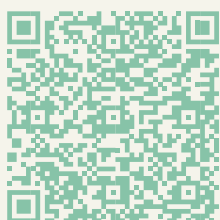
[Click here](#) or scan this QR code to download presentation and watch webinar.



Most Significant Change (MSC) in evaluation: An Information Gathering Tool

On 25 May, IDEV, in collaboration with the African Development Institute (ECAD), held a webinar to examine the use of the Most Significant change (MSC) technique in evaluation. It explored the evaluation of the AfDB's decentralization strategy and process as an illustrative case. The MSC technique is a systematic, transparent and participatory method of collecting and analyzing qualitative information about change. This information is in the form of stories of change, obtained through individual interviews, which are then subject to selection by different stakeholder groups. This qualitative monitoring and evaluation technique was developed by Dr. Rick Davies in the 1990s and since then it acquired wide applicability and adaptations in the evaluation discipline.

[Click here](#) or scan this QR code to access the presentation



Promoting Development Effectiveness in MDBs: Striking a balance between Evaluation Independence and Operational Embeddedness

On 14 August, IDEV hosted a webinar that explored the balance between evaluation independence and the degree of contextual knowledge, or embeddedness, that evaluators should have to provide unbiased evidence to support both development and organizational effectiveness in MDBs. The presentation also argued for a broader approach to evaluation, including rethinking the end-users of evaluative evidence in MDBs.

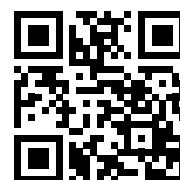
[Click here](#) or scan this QR code to access the presentation



IDEV

Independent Development Evaluation
African Development Bank

African Development Bank Group
Avenue Joseph Anoma, 01 BP 1387, Abidjan 01, Côte d'Ivoire
Phone: +225 20 26 28 41
Email: idevhelpdesk@afdb.org



idev.afdb.org