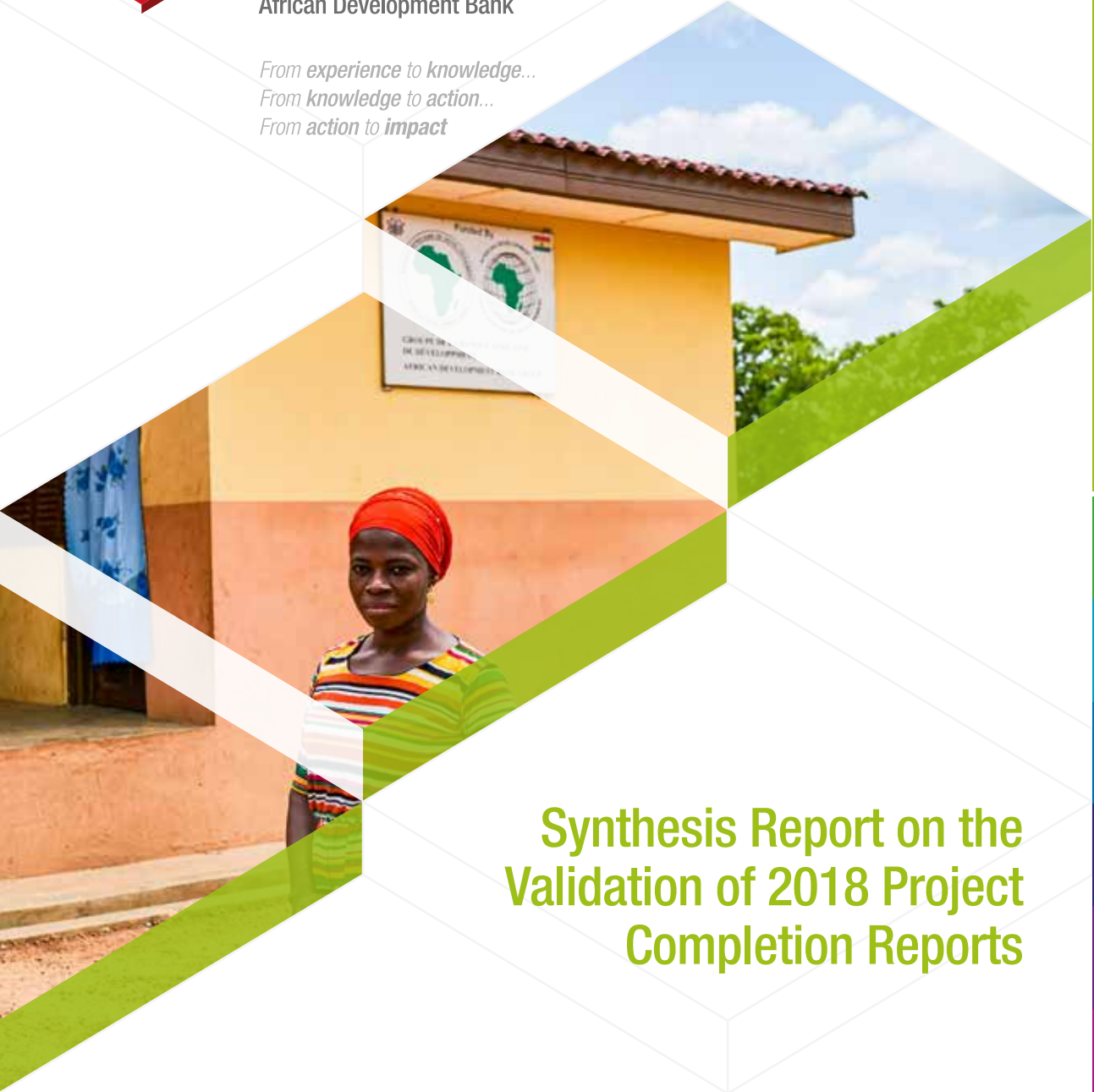




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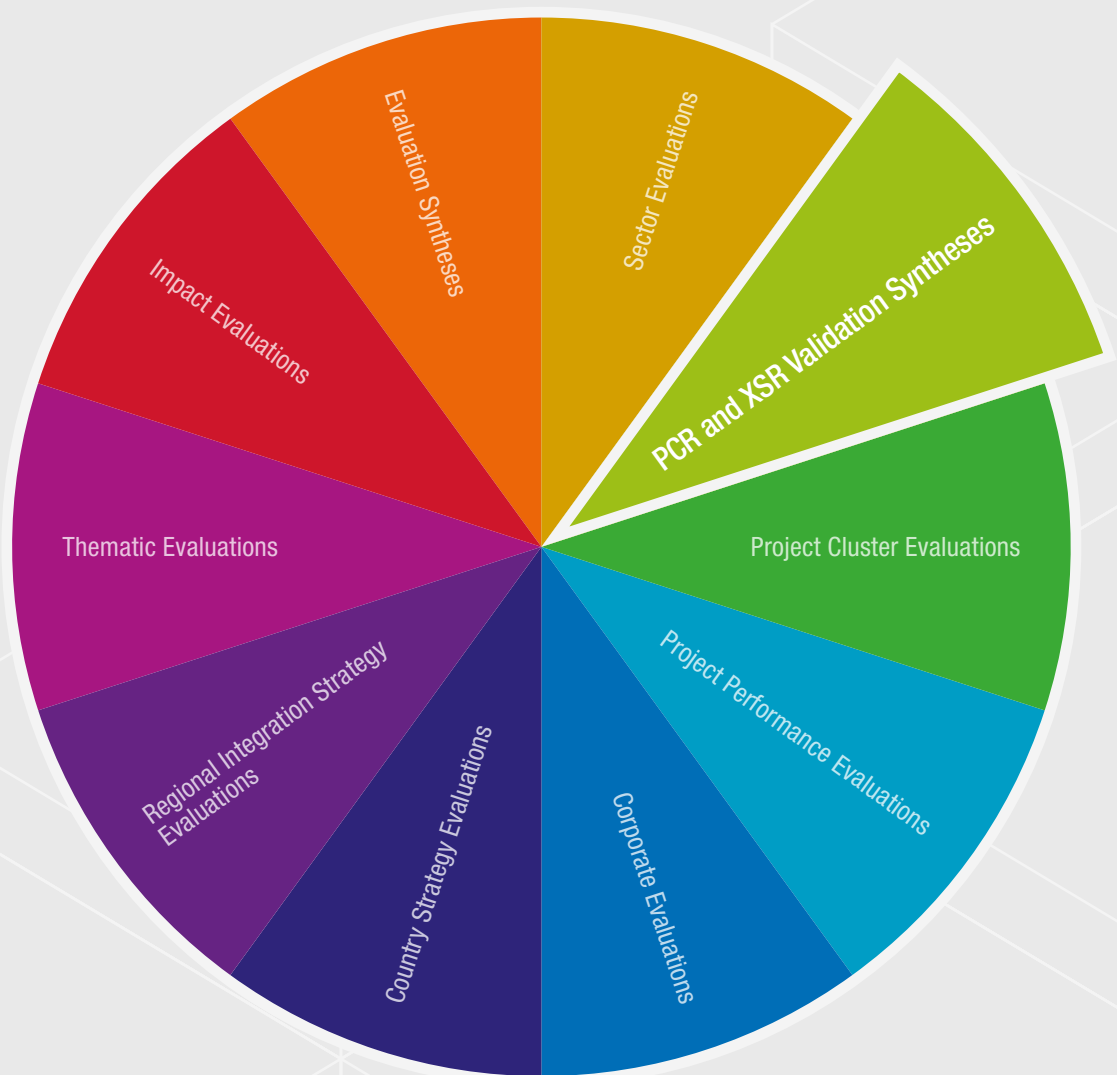
Synthesis Report on the Validation of 2018 Project Completion Reports

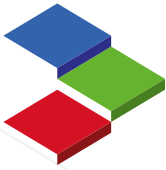


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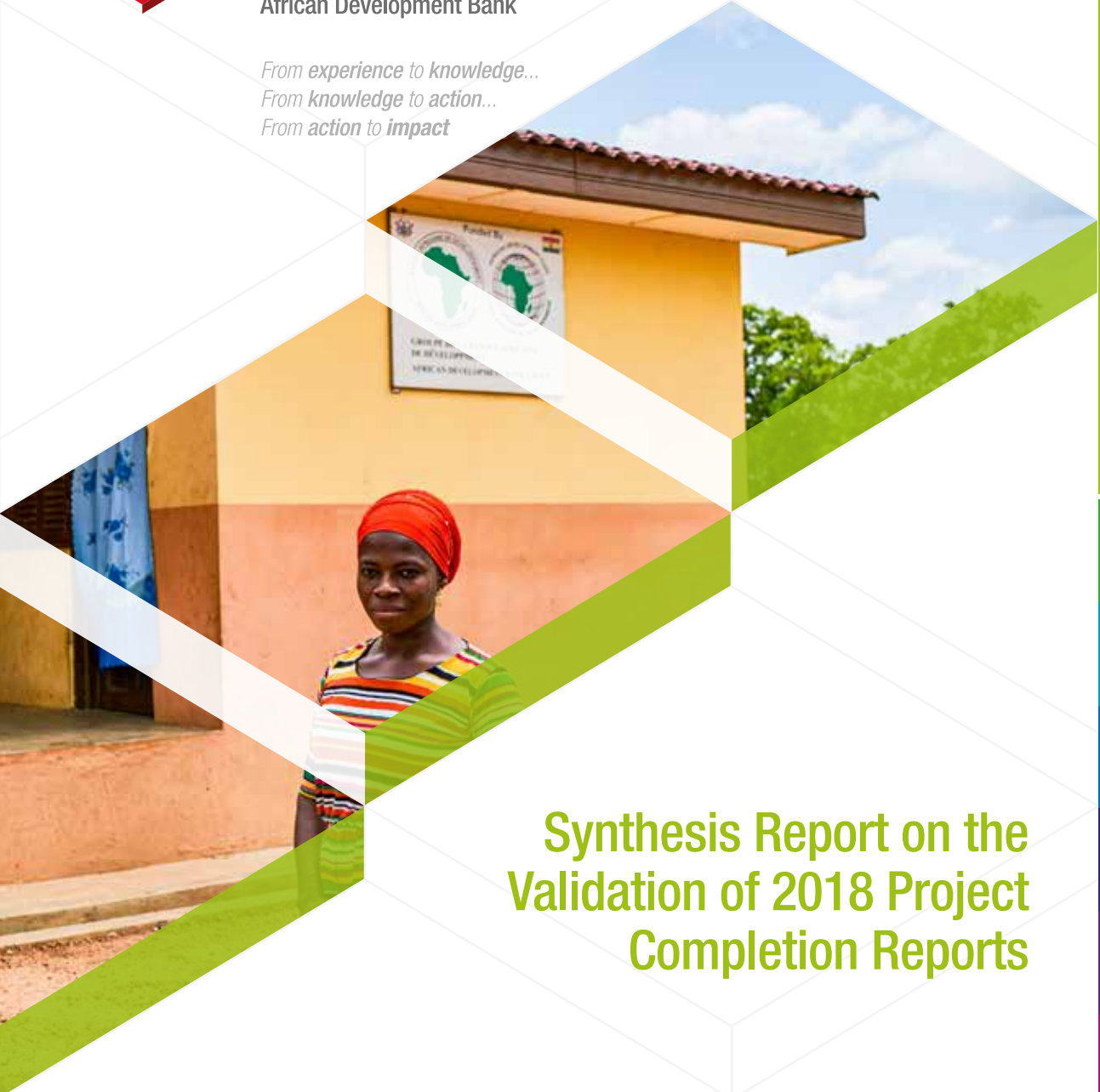




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Synthesis Report on the Validation of 2018 Project Completion Reports



AFRICAN DEVELOPMENT BANK GROUP

December 2020

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Synthesis Report on the Validation of 2018 Project Completion Reports

An IDEV PCR Validation Synthesis, December 2020

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Abbreviations and Acronyms

ADF	African Development Fund	M&E	Monitoring and Evaluation
ADB	African Development Bank	MIC	Middle Income Country
AfDB	African Development Bank Group	MTR	Mid-Term Review
CBA	Cost Benefit Analysis	O&M	Operations and Maintenance
DO	Development Objective	PCR	Project Completion Report
EVRD	Evaluation Results Database	PCREN	Project Completion Report Evaluation Note
IDEV	Independent Development Evaluation	PCU	Project Coordinating Unit
IQAP	Integrated Quality Assurance Plan	PIU	Project Implementation Unit



Executive Summary

Background

The African Development Bank Group (AfDB or “the Bank”) undertakes self-evaluations of its sovereign operations through Project Completion Reports (PCRs) prepared by the appropriate operations departments. The Independent Development Evaluation (IDEV) of the Bank validates the PCRs, and prepares PCR evaluation notes (PCRENs) and a synthesis report on each year’s PCRENs.

This report synthesizes findings from the validation of 65 PCRs prepared in 2018. IDEV committed in its work program to validate these 65 PCRs.

Specifically, this synthesis report summarises the:

- Key results of the 2018 PCRENs focusing on the PCR quality, and the performance of the projects, Bank and borrowers.
- Key lessons for improving the quality of PCRs and project results performance.

This report does not include recommendations, as those made in the [2016](#) and [2017](#) PCREN synthesis reports are still valid and being implemented, and are yet to have discernible effects on PCR quality. The Bank’s 2019–2021 integrated quality assurance plan (IQAP) includes actions to implement the recommendations from the 2016 and 2017 PCR validations. The findings of this (2018) review are expected to be disseminated to the Bank’s Board, Management and staff, and shared with the public through discussions, workshops, IDEV activities, and the Bank’s website.

Methodology

The main sources of evidence for this report are the 2018 PCREN technical report and 65 PCRENs

prepared by the Centennial International Group. This was complemented with evidence from a desk review of relevant documents. These PCRENs were prepared from the 65 PCRs, approved in IDEV’s 2019 work program¹. The 65 PCRs were sampled using a stratified random sampling of the Bank’s 99 sovereign projects for which PCRs were completed in 2018². As per the Bank’s “*Staff Guidance on Project Completion Reporting and Rating*” (2012), each PCR was prepared using the criteria of project performance (relevance, effectiveness, efficiency, and sustainability) and stakeholder performance (Bank, Borrower and other stakeholders), and a four-point rating scale. The rating scale defines a satisfactory performance as a score of 2.5 or better out of the maximum of 4. Specifically, the four-point rating scale comprises: 1.00–1.49 (Highly Unsatisfactory), 1.50–2.49 (Unsatisfactory), 2.50–3.49 (Satisfactory), 3.50–4.00 (Highly Satisfactory).

Each PCR was validated using the evaluation criteria and four-point rating scale above. It was also assessed on the four quality criteria below:

- **Monitoring and evaluation (M&E) quality** covering M&E design, implementation, and utilization;
- **PCR quality**, assessed through nine areas: quality and completeness of the PCR evidence and analysis; the objectivity of PCR assessment; internal consistency of PCR assessment ratings; identification and assessment of key factors and unintended effects affecting design and implementation; adequacy of treatment of safeguards, fiduciary issues, and alignment and harmonization; soundness of data generating and analysis process (including rates of returns) in support of PCR assessment; overall adequacy of the accessible evidence (from PCR including annexure and other data provided); clear and evidence-based lessons (and recommendations); overall clarity and completeness of the PCR;

- **PCR-PCREN ratings disconnect** on project performance, defined as the difference between the PCR and PCREN rating scores; and
- **Compliance with the PCR guidance** focusing on PCR timeliness, stakeholder participation in PCR preparation, and provision of the required annexes.

The M&E quality, PCR quality and PCR compliance were rated using the PCR four-point rating scale above, evaluative judgment for the sub-criteria, and averaging for the criteria.

Both quantitative and qualitative data were extracted from the PCRENs and the technical report, and then synthesized and presented in tables and figures. In assessing PCR quality, PCR and PCREN ratings were compared. PCREN ratings were used for the performance assessment. The main limitation was the number of PCRENs, which is sufficient for assessing overall performance but limits conclusions on project performance by sector and region.

Findings

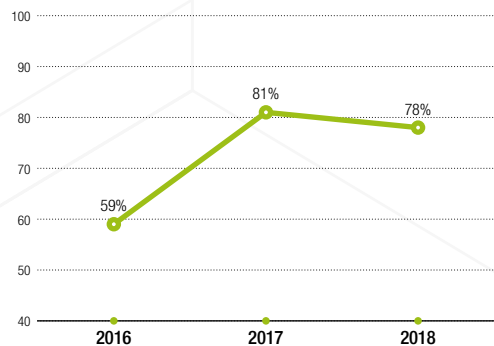
Quality of the Bank's 2018 PCRs

Satisfactory quality, with scope for improvement: The quality of the 2018 PCRs was, in general, satisfactory, though uneven, with 78% (51) of the 65 PCRs considered satisfactory (Figure ES.1) and the remainder (22%) unsatisfactory. The overall PCR quality score averaged 2.8, well below the maximum of 4. Certain aspects require improvement, including PCR ratings, lessons, recommendations, monitoring and evaluation (M&E), and compliance with the PCR guidance. The overall PCR quality improved over the period 2016–2018: the percentage of PCRs with satisfactory quality increased from 59 in 2016 to 78 in 2018 (Figure ES.1).

In general, the PCRs tended to rate project performance significantly higher than the PCRENs. Furthermore, the PCRs exhibited deficiencies in the quality of the evidence, lessons, recommendations,

M&E and compliance with the Bank's guidelines. The weakest PCR quality criteria were (i) soundness of data generation and the provision of data and evidence to back up related conclusions, and (ii) quality/objectivity of analysis.

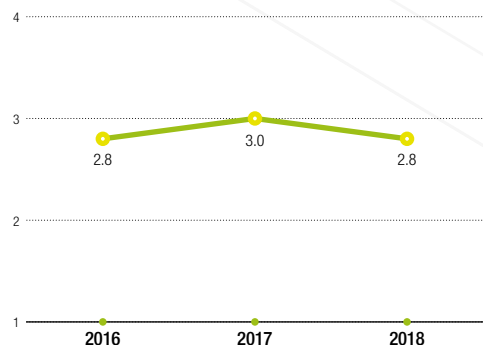
Figure ES.1: PCRs with satisfactory quality (%)



While 80% of the PCR lessons and recommendations were relevant, most of them were inadequately identified and formulated, indicating the need to enhance Task Managers' PCR preparation skills for PCR quality improvement.

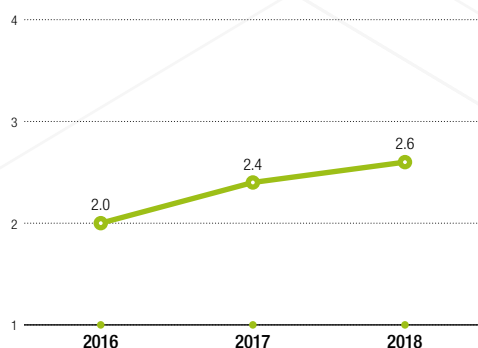
The PCR quality compliance score, though on average satisfactory, was well below the maximum score of 4 (Figure ES.2).

Figure ES.2: PCR quality compliance score



Regarding the M&E quality, it improved over the 2016–2018 period and its average score for 2018 was satisfactory (Figure ES.3). It was stronger in M&E design but weaker in terms of adequacy of baseline data and appropriateness of indicators, and its implementation and utilization. The progress reporting of outputs was generally satisfactory, but that of outcomes was weaker.

Figure ES.3: Project M&E quality score

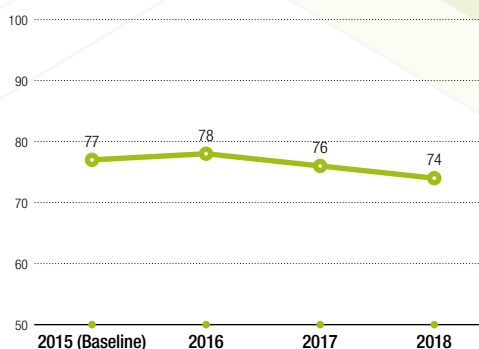


Performance of the 2018 PCR projects

The review assessed the performance of (i) projects (in terms of the relevance of objectives and design, effectiveness/achievement of development objectives, efficiency, and sustainability), and (ii) stakeholders.

Satisfactory project performance, with scope for improvement: Overall project performance was satisfactory for the combined criteria of the relevance of project development objectives and design, effectiveness, efficiency, and sustainability. It, however, slightly decreased from 77% in 2015 to 74% in 2018 (Figure ES.4). The remaining 26% of projects had unsatisfactory performance, but none was rated highly unsatisfactory. Project performance was strongest on the relevance of objectives and design, but weakest on effectiveness.

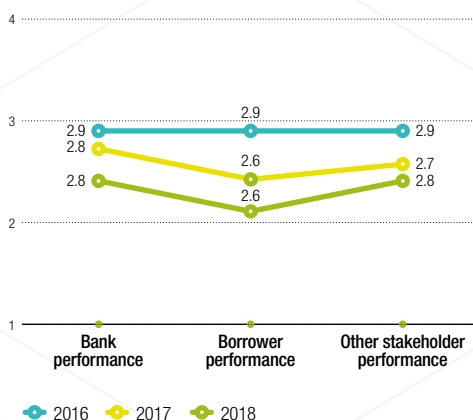
Figure ES.4: Projects rated satisfactory (%)



Most of the projects were highly relevant in terms of their objectives, signaling good alignment with the country's development priorities and with pertinent Bank strategies. The relevance of the project design was satisfactory, but the quality of the project results frameworks was weak. Project effectiveness was unsatisfactory, as only 48% of the 65 projects achieved their main development objectives. Projects performed better in delivering outputs than outcomes. Although project efficiency was overall satisfactory, it was limited by substantial delivery delays and cost overruns. Project sustainability was strong in terms of ownership and safeguards, but weak regarding financial and institutional aspects. Projects with high levels of community participation tended to have sustainable benefits.

The performance of the main stakeholders (Bank, borrowers, and other development partners) contributed to project performance and was, on average, satisfactory (Figure ES.5). It was better in terms of the services of the Bank and other development partners than those of the borrowers. Performance was strongest in terms of quality of supervision of the Bank, and of responsiveness of other development partners to client demands, but weakest especially in terms of (i) clients responding to supervision recommendations, (ii) the Bank supporting M&E design, implementation and use, and (iii) the borrower ensuring sustainability of project benefits.

Figure ES.5: Project stakeholder performance score, 2016–2018



Lessons from the 2018 PCRs and their validation

The Bank values the quality of its PCRs and project results. In its quest for quality and meaningful PCRs and project development effectiveness, the Bank is implementing an Integrated Quality Assurance Plan for the period 2019–2021. This Plan was a response to lessons and recommendations from several diagnostic studies and IDEV evaluations, including the validation of 2016 and 2017 PCRs. From the 2018 PCRs and their validation, multiple lessons have been identified, reformulated, and validated. These lessons were broadly relevant, and some of them were similar to those from the 2016 and 2017 PCR reviews. Most of these lessons were common across the sectors of intervention, regions, and instruments of the Bank. Lessons in the PCRs generally focus on project-specific details rather than strategic or program issues.

The relevant lessons identified in the 2018 PCRs and validated in the 2018 PCRENs, point to the following aspects that matter for quality: (i) project preparation and design; (ii) implementation arrangements and implementation; and (iii) sustainability in different dimensions (institution and capacity building, and ownership). Below are common lessons by theme.

Project preparation and design

- Incorporating lessons from previous projects is necessary for quality project design, but not consistently done.
- Adequate time and resources are needed for project preparation. Rushing such arrangements due to political pressure or in emergency contexts risks poor selectivity (of components/outputs) and outcomes.
- Ensuring wider stakeholder consultations is important to effectively capture the views of local communities during the design and formulation stage of projects.
- Projects with adequately identified and assessed risks and mitigation measures are more likely to be successfully implemented.
- Project implementation is likely to be timely and effective when collaborating partners are clearly identified, with clear roles and responsibilities, at project appraisal and inception stages.
- Multinational and regional projects are usually complex and require more time for preparation. The implementation structure needs to reflect the budget limitations and human resource constraints of the participating countries.
- Detailed, realistic, and meaningful designs are key prerequisites to avoiding time and cost overruns in projects.
- Integrating operations and maintenance and associated budget into project design is important for successful project implementation and results.

Implementation arrangements and performance

- Continuity of the same implementing Task Manager and team is a significant factor in a project's success.

- Addressing upfront the issue of delays in the payment of counterpart funds is important, as delays can result in increased costs.
 - Inadequate implementation of a project's M&E framework can critically limit the available project information for evaluating performance and for learning from experience.
 - Effective project M&E systems require adequate human capital with the appropriate skills and competencies, funds, institutional arrangements, material resources, and management commitment to using the M&E outputs.
 - Project supervision missions are invaluable sources of information for improving implementation quality. They allow corrective measures to be taken to remove or manage any threats to the attainment of project targets.
 - Project Mid-Term Reviews are necessary for good implementation and should be done at the most appropriate point of the project cycle; for example, an early Mid-Term Review is essential where there are persistent implementation issues.
 - Multi-country projects need strong and effective joint coordination structures.
 - Development of knowledge products and their effective dissemination are necessary to facilitate behavioral change and to guide the design and successful execution of future projects.
- Institution and capacity building, and ownership**
- Involvement of relevant government agencies and national civil society organizations early in the project cycle is critical for improving the sustainability of project outcomes.
 - Effective community participation (in design and implementation) is essential for sustaining project benefits, particularly in highly challenging operating environments.
 - With the effective participation of independent service providers, water systems are more likely to be sustainable. ■



Introduction

Background

The African Development Bank Group (AfDB or “the Bank”) undertakes self-evaluations of its projects through Project Completion Reports (PCRs) prepared by the appropriate operations departments. The Independent Development Evaluation (IDEV) of the Bank validates the PCRs, and prepares PCR evaluation notes (PCRENs) and a synthesis report on each year’s PCRENs. This synthesis report concerns the PCRENs covering 65 PCRs prepared in 2018³.

Purpose, Methodology, and Limitations

Purpose. The primary purpose of this report is to help Bank Management and operational staff to improve the quality of future PCRs, project design and implementation, and the reporting of development effectiveness by synthesizing credible evidence on PCR quality, project performance, and key lessons for consideration.

Specifically, this synthesis report summarizes the:

- Key results of the 2018 PCRENs, focusing on PCR quality and the performance of the projects, Bank and Borrowers; and
- Key lessons for improving the quality of PCRs and project results performance.

The results of the validation are expected to be disseminated widely to the Bank’s Board, Management and staff, and shared with the public through discussions, workshops, printed reports, IDEV activities, and the Bank’s website.

Methodology. This PCREN synthesis report is based on the technical report (on the sample of 65 PCRENs)

produced by the Centennial International Group, and additional literature review and analyses. The 65 PCRENs cover the 65 PCRs of the 2018 cohort that IDEV committed to validating in its 2019 work program. For 2018, the Bank had planned to deliver 108 PCRs for the 108 projects eligible for self-evaluation (Annex 1). However, from the relevant Bank data sources, the Bank only completed 99 of the 108 expected PCRs; the remaining 9 PCRs were not completed in 2018. Stratified random sampling was done for 65 (66%) of the 99 completed PCRs, considering the proportions of completed PCRs by Bank sector and region⁴. This sample of 65 projects, with a total commitment of about UA 3.2 billion, covers all the Bank’s sectors and regions of intervention (Table 2 and Annex 1). The Bank’s “*Staff Guidance on Project Completion Reporting and Rating*” (2012) and the PCR validation template guided the preparation of the 2018 PCRENs. This staff guidance focuses on how to assess the performance of the project (in terms of the international evaluation criteria of relevance, effectiveness, efficiency, and sustainability) and that of the project stakeholders (comprising Bank, Borrower, and other stakeholders). The staff guidance uses a four-point scale (Table 1).

These rating scales for the overall rating and sub-criteria were applied for the evaluation of the performance of the stakeholders. While the sub-criterion ratings were based on evaluative judgment, the overall ratings were calculated averages. Project performance was satisfactory if it scored at least 2.50.

The PCR validation template uses the same PCR evaluation criteria and rating scales above. It also includes the following criteria of quality:

- Monitoring and evaluation (M&E) quality covering M&E design, implementation, and utilization;

Table 1: Rating scale

Rating scale	Sub-criteria	Criteria/Overall rating
Highly Satisfactory	4	3.50–4.00
Satisfactory	3	2.50–3.49
Unsatisfactory	2	1.50–2.49
Highly unsatisfactory	1	1.00–1.49

Source: Bank's Staff guidance on PCR reporting and rating, 2012.

PCR quality, assessed through nine areas: extent of quality and completeness of the PCR evidence and analysis; extent of objectivity of PCR assessment score; extent of internal consistency of PCR assessment ratings; extent of identification and assessment of key factors and unintended effects affecting design and implementation; adequacy of treatment of safeguards, fiduciary issues, and alignment and harmonization; extent of the soundness of data generating and analysis process (including rates of returns) in support of PCR assessment; overall adequacy of the accessible evidence (from PCR including annexure and other data provided); extent to which lessons learned (and recommendations) are clear and based on the PCR assessment (evidence & analysis); and extent of overall clarity and completeness of the PCR;

PCR-PCREN ratings disconnect on project performance; and

Compliance with the PCR guidance focusing on: (i) PCR timeliness, (ii) stakeholder participation in PCR preparation, and (iii) provision of the required annexes.

The M&E quality, PCR quality, and PCR compliance were rated using the four-point PCR rating scale above, evaluative judgment for the sub-criteria, and averaging for the criteria. The preparation of the 2018 PCRENS required the examination of

both quantitative and qualitative evidence through desk review of the pertinent project and program documentation and other documents to complete a standard PCREN template for each PCR⁵. A team of international evaluation experts from relevant disciplines prepared the 2018 PCRENS, which were peer-reviewed by IDEV.

Following the preparation of the 65 PCRENS, quantitative and qualitative data were extracted from this set. The quantitative data were analysed and presented in summary tables and Figures. The narratives from the qualitative data were used to support the quantitative results and the identification of lessons. The synthesis results of the 2018 PCRENS were also compared to those of the 2016 and 2017 PCRENS. The synthesis report was subjected to both internal and external peer-review.

Limitations. The evaluation faced the following limitations:

i. The number of PCRENS limited the ability to make conclusive statements on project performance by sector and region.

ii. Although the sampled PCRs were representative of the PCRs completed in 2018, not all the underlying projects actually exited the Bank's portfolio in 2018. Three of the projects for which PCRs were delivered in 2018, were actually completed in 2017. Notwithstanding

this slight reduction in the sample of 65 PCRs for inferring the performance of the projects exiting the Bank's portfolio in 2018, the sample was still representative of the 2018 projects eligible for completion reporting.

- iii. Missing documents in reviewing some of the PCRs could have affected the quality of the related PCRENS.

Structure of the Report

The content of the report is organized into four broad sections: (i) the 2018 PCR projects; (ii) the quality of the PCRs (covering the PCR quality score, the PCR–PCREN ratings disconnect, and the quality of the M&E system); (iii) project results performance using PCREN ratings; and (iv) conclusion and lessons for project quality improvement. ■



The 2018 PCR Projects

The 2018 PCR projects covered all the sectors and regions of the Bank (Table 2). As shown in Annex 1, the profile of the 2018 PCR projects varied across region and country category, sector, and age (number of years between approval and exit).

By Sector: The sectoral composition in terms of the number of projects showed that about 34% of the projects were multi-sector (mainly program-based operations) followed by power and transport (24.7%), social including water and sanitation (19.7%), and agriculture and environment (16.9%). Finance, which was often prominent in the Bank's portfolio, accounted for about 5% of the PCR projects.

The order remained the same when the sector composition was ranked by share of the Bank's total disbursed amount. The multi-sector was still the leading sector accounting for 57% of the disbursed amount followed by power and transport (19.2%), social including water and sanitation (11.8%), and agriculture and environment (7.3%). The weighting by the disbursed amount has strongly reinforced the importance of the multi-sector projects in the 2018 PCR projects.

By Region: The 2018 PCR projects were dispersed across all the regions and a few in multi-regions. The distribution by number was more even across the regions than the distribution by share of the disbursed amount. The South, West, and North ranked in the top tier by the number of projects, but North and West accounted for 75% of the Bank's disbursed amount. ADF countries accounted for more than half of the number of the 65 projects. ADB countries accounted for about a third of the number of projects, and for about two-thirds of the project amount disbursed.

By Instrument: A total of 84 financial and non-financial instruments were utilized in support of the PCR projects in 2018: Program-Based Operations (PBO), institutional support & rehabilitation grant, investment loan, guarantee, project cycle grant, technical assistance (Middle Income Countries Technical Assistance Fund, African Water Facility), fragile states facility, and project preparation facility (strategic climate) (Table 3). The institutional support & rehabilitation grants, and some of the technical assistance were complementary to the PBOs.

Table 2: 2018 PCR sample for validation, by sector and region (number)

Region	Sectors							
	Agri&Envir	Finance	Power	Social	Transport	Water/Sanitation	Multi-Sector	All sector
Central	1					1	3	5
East		1	3		1	3	2	10
North	2	1		3	1	1	3	11
South	3		2		2		7	14
West	2		3	1		3	7	16
Multi-region	3	1	1	1	3			9
All regions	11	3	9	5	7	8	22	65

Source: IDEV's Evaluation Results Database (EVRD)

Year of approval: The 2018 PCR projects were approved at different points in time between 2004 and 2016, thus spanning over 13 financial years. In terms of the number of projects, 74% were approved in the 2004–2013 period. However, the most recent projects (approved 2014-2016) accounted for the largest share of the Bank’s disbursed amount (64%) (Annex 1). ■

Table 3: Financial instruments used in the sample of 65 PCR projects⁶

Financial Instrument	Number
Loan	18
Project cycle grant	14
General Budget Support	17
Institutional support & rehabilitation grant	12
Sector Budget Support	8
Technical Assistance (Middle Income Countries Fund)	5
Transition Support Facility	4
Technical Assistance (African Water Facility)	3
Project Preparation Facility (Strategic Climate)	2
Guarantee	1
Total	84

Source: Data compiled from the Bank project database.

Quality of the 2018 PCRs

This section presents evidence on the quality of the 2018 PCRs. As was the case for the 2017 PCR validation, and as indicated in the methodology, PCR quality was assessed in terms of the (i) quality score (based on nine criteria) defined in the IDEV PCR validation format⁷, (ii) PCR compliance with Bank guidelines, (iii) the disconnect between PCR and PCREN ratings of project performance⁸, and (iv) M&E quality.

The quality of the 2018 PCRs was generally satisfactory, though uneven and challenged by several shortcomings. On average, PCR quality was slightly lower than for the 2017 PCR cohort. The percentage of PCRs with satisfactory quality or better was 78 for 2018, and 81 for 2017. The remainder of the 2018 PCRs (22%) had unsatisfactory quality scores, thus indicating scope for improvement. PCR quality was challenged by: (i) the strong tendency of the PCR ratings to be significantly higher than those of the corresponding PCRENs, and (ii) shortcomings in the PCR lessons, recommendations, M&E and compliance with Bank guidelines.

PCR Quality Score

The PCRENs used nine criteria to assess PCR quality (Figure 1) and a four-point rating scale, with a quality score of 2.5 or higher out of a maximum of 4 considered satisfactory. Based on this assessment, PCR quality was, on average, satisfactory. The PCR quality score for the nine criteria averaged 2.8, ranging from 2.7 to 3.1 (Figure 1). Fifty-one (51) of the 65 PCRs (78%) were considered satisfactory. The remaining 14 PCRs (22%) were of unsatisfactory quality, indicating scope for improving PCR quality.

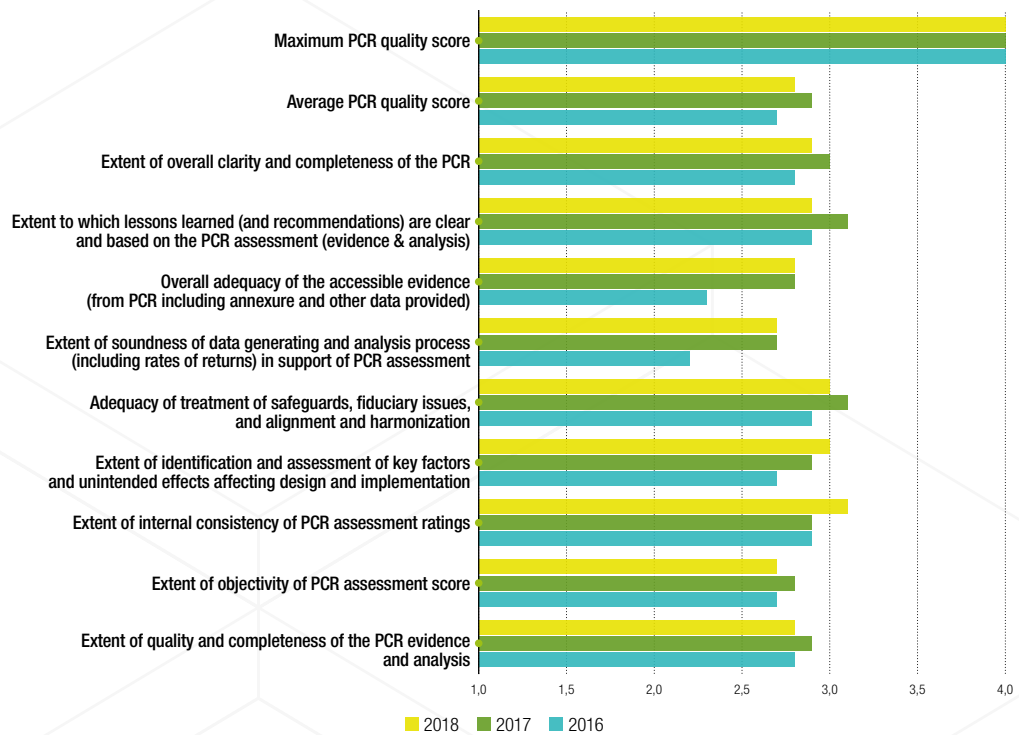
The average score on each of the nine criteria was above 2.5 (the minimum satisfactory level). The

weakest scores were on two criteria, namely the objectivity of the PCR and the soundness of the data generation and analysis process. These were also challenging areas for the 2017 PCR cohort. Relative to the 2017 PCR quality score (2.9), the 2018 PCR quality score (2.8) was slightly lower (Figure 1), reflecting the decline in quality on four of the nine criteria. From 2017 to 2018, the PCR quality score only improved on two of the nine quality criteria.

The average PCR quality varied greatly across regions and sectors of the Bank interventions. It was above the midpoint of the rating scale in all regions and sectors, ranging from 2.6 (South region) to 3.2 (Central region), and from 2.6 (power and environment sectors) to 3.0 (finance and water and sanitation). These results should be taken with caution, given the variation and the small number of PCRs per region and sector.

Quality of PCR lessons and recommendations: The quality of the main lessons and recommendations in the 2018 PCRs were rated, on average, satisfactory (2.8), though they could be improved. The 2018 quality (2.8) deteriorated relative to that of 2017 (3.1). Fifty-nine of the 65 PCRs generated 282 lessons and 258 recommendations, but the remaining six PCRs provided neither lessons nor recommendations. The further analysis of the 282 lessons and 258 recommendations revealed deficiencies in relevance and identification. About 20% of the lessons and recommendations proposed in the PCRs were not relevant and evidence-based. Of the remaining 80%, though relevant, nearly 80% of them were inadequately identified. The proposed lessons were a mixture of findings, conclusions, lessons, and recommendations. The responsibility for some of the recommendations was not clearly defined.

PCR compliance with Bank guidelines: PCR compliance (in terms of timeliness and stakeholder participation in PCR preparation) was satisfactory,

Figure 1: Satisfactory PCR quality, with scope for improvement, 2016–2018

Source: IDEV's Evaluation Results Database (EVRD)

though there was scope for improvement. The 2018 PCR compliance averaged 2.8, indicating a marginal decline relative to 2017 (Figure 2). The rating for PCR timeliness (based on PCRs completed within the guideline of six months after 98 percent of project disbursement) deteriorated, from 2.9 for the 2017 PCRs to 2.6 for the 2018 PCRs⁹. Although the score for stakeholder participation in PCR preparation improved relative to that for 2017, it was not clear from the PCRs the extent to which the borrower, other stakeholders, and Bank staff stationed in the country offices (where applicable) contributed towards the preparation of the PCR. In most PCRs, this aspect was ignored, and it was often difficult to deduce from the available information. The guidelines and the template should address this question more directly; for example, the PCR team could be asked which parties had specifically provided advice or inputs.

PCR and PCREN Rating Disconnect

The PCR-PCREN rating disconnect, defined as the difference between PCR and PCREN ratings, was significant across all the project evaluation criteria/dimensions: relevance, effectiveness, efficiency, sustainability, and performance of the development partners. In general, PCRs rated the projects higher than PCRENs did (Annex 2).

The PCR ratings across the evaluation criteria were, in general, higher than those of the corresponding PCRENs. The PCRs rated the overall performance (in terms of the average of the criteria relevance, effectiveness, efficiency and sustainability) of 94% of the 2018 project cohort as satisfactory or better, while the PCRENs

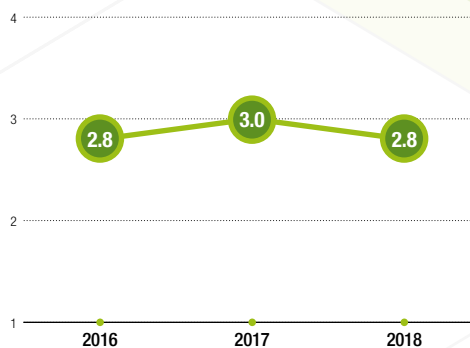
validated the performance of only 74% of this same project cohort as satisfactory or better.

Most of the projects were rated on all their evaluation dimensions, with a few exceptions, such as cost-benefit analysis (CBA). The PCR-PCREN rating disconnects were significant in all the considered pair-wise t-tests at 5% or less (Annex 2). The PCR-PCREN rating disconnect was notable on dimensions such as relevance of project design, realization of outcomes, and CBA estimates. In the area of project design, the PCRs tended to overestimate borrower capacity. Regarding project effectiveness, an issue was the tendency to overestimate outcomes, particularly those not fully realized. As for cost-benefit analysis, the PCRs provided insufficient data and methodological information. On the other hand, the PCR-PCREN rating disconnect was smaller on the relevance of project development objectives, implementation timeliness, and resource use efficiency.

Relevance of project objectives and design:

Although both the PCRs and PCRENs scored the relevance of project objectives and design satisfactory, the average mean difference of 0.30 between the 2018 PCR and PCREN scores was statistically significant (at the 1% level). Furthermore, the difference between PCR and PCREN ratings was more pronounced and significant on the relevance of project design (0.48) than on the relevance of project objectives (0.13) (Annex 2). This is a likely indication of the high importance assigned to the relevance of the project objectives, which is a key decision issue whether or not to fund the project in the first place. A low score on the relevance of the project objectives would raise questions about why the project had been funded. In the 2018 cohort, the average score for the relevance of development objectives was 3.86 in the PCRs and 3.73 in the PCRENs (both highly satisfactory). In other words, most projects were, on average, highly relevant in terms of their objectives, which meant they were in good alignment with the country's development priorities and with pertinent Bank strategies.

Figure 2: Satisfactory PCR compliance score, 2016–2018



Source: Data compiled from IDEV's EVRD

However, the relevance of project design (in particular the quality of the results framework) was an area of concern. The average score for project design for all projects was 3.34 in the PCRs and 2.86 in the PCRENs (the mean difference of 0.48 was significant at 1%), the latter indicating a stronger case for the need to improve project design. The most common complaint remained a lack of engineering designs sufficient to determine costs to a reasonable degree of accuracy.

Effectiveness: On average, the PCRs rated the extent of the achievement of the project development objective (DO), in terms of outputs and outcomes, higher than the PCRENs, resulting in a mean difference of 0.63, which was statistically significant (at the 1% level). Although the PCRs rated the DO as satisfactory on average, the PCRENs scored the project DO as unsatisfactory. The PCR-PCREN score divergence was not so much in terms of the outputs (mean difference of 0.37) but rather on the achievement of project outcomes (mean difference of 0.49). Most projects completed the physical work required, but the outcomes as framed were somewhat over-optimistic, resulting in instances where outcomes were not achieved within the planned time horizon.

Efficiency: The average score for overall efficiency was satisfactory, rated 2.95 in the

PCRs and 2.65 in the PCRENs, but the PCR-PCREN rating disconnect (mean difference of 0.3) was also statistically significant. The most notable disconnect among the efficiency measures was on the CBA rating, which averaged 0.68—although it covered only 14 out of the 65 projects. PCRs lacked details on assumptions, data and methodology for CBA.

Typical problems with the cost-benefit analyses were:

- The methodology was not clearly stated in the appraisal report or the PCR;
- In many cases, there were no annexes available either in the appraisal report or PCR that showed how the calculations were made or what assumptions were used, including the sources of the data;
- There was double-counting of benefits (e.g. counting as benefits the price that users were willing to pay for water as well as the health and convenience benefits of clean piped water);
- The M&E system did not provide direct evidence of the number of users of the project; and
- Social benefits were not tracked.

Sustainability: Despite a significant disconnect between the PCR and PCREN ratings (mean difference of 0.46 was statistically significant at the 1% level), both the PCRs and PCRENs rated overall sustainability, on average, as satisfactory (Annex 2). With a PCR-PCREN mean difference of 0.52, financial sustainability was the most notable (in terms of disconnect) among the sustainability criteria (Annex 2). More than a third of the PCRs provided insufficient information on environmental and social sustainability and the effectiveness of partnership arrangements for project delivery.

Performance of Bank, Borrower and Other Stakeholders: On these criteria, the PCR-PCREN rating disconnects were significant, with the PCRs

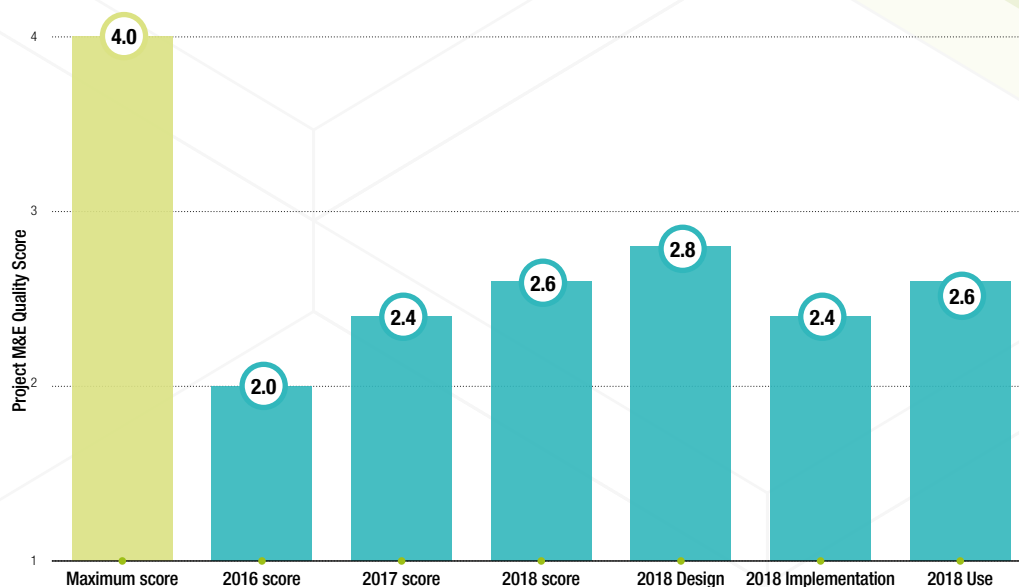
rating the performance higher than the PCRENs (Annex 2). The rating disconnect was most notable on borrower performance, especially on two sub-criteria: measures taken to establish the basis for project sustainability, and responsiveness to supervision recommendations (Annex 7). This could be due to the way the rating of borrower performance was done in PCRs. PCRs were largely uncritical and often evaluated the borrower's performance as satisfactory, even in cases where it was obviously poor. Regarding the Bank's performance, the PCR-PCREN rating disconnect was more pronounced on three of its seven sub-criteria, namely proactive identification and resolution of problems; enforcement of safeguard and fiduciary requirements; and design and implementation of the M&E system.

Monitoring & Evaluation Quality (Design, Implementation and Use)

Quality of the M&E system looks at the design, implementation, and utilization/use. M&E quality of PCRs has improved over time, increasing from a score of 2 in 2016, to 2.4 in 2017 and 2.6 in 2018, a satisfactory rating (Figure 3). Figure 3 shows project M&E performance for the period 2016–2018, with a breakdown for 2018 into the three components, M&E design, implementation and use/utilization. In 2018, M&E quality was stronger in M&E design (2.8) but weaker in terms of its implementation (2.4) and utilization (2.6).

The M&E results framework of projects was often below expectations, and there were issues with M&E design, implementation, and utilization. Less than a quarter of the projects exhibited robust results frameworks with few shortcomings, whereas the majority showed insufficient frameworks, with limited baseline information and indicators that were clearly not measurable or were not directly related to the project outcomes. Nevertheless, monitoring indicators and monitoring plan were duly in placed and approved.

Figure 3: Improved project M&E quality score, 2016–2018



Source: Data obtained from the IDEV's EVRD

The progress reporting of outputs was generally fair. However, the M&E of outcomes was much weaker. Moreover, the M&E of outcomes was weaker except in the program-based operations, where it was generally good. Some outcomes were broad and not specifically linked to the project. When outcomes are defined too broadly, it is highly challenging to credibly conclude whether the project achieved its stated goals.

The PCRs and project documentation did not necessarily provide a detailed assessment of the M&E systems, which tended to result in a satisfactory rating by default that may not have been justified. Disaggregated gender information was sometimes guesswork in the absence of accurate data. In several cases, the methodology for estimating the numbers of beneficiaries was unclear. In these instances, there was no discussion in the PCR that clearly explained the sources of the estimates of actual beneficiaries. In some cases, it appeared that indirect formulae

were used rather than estimates based on direct measurement or from a sample of users. PCRs should critically discuss and assess the methodology for determining the actual numbers of beneficiaries. They should also discuss how the benefits differ among different categories of beneficiaries.

Where M&E information was collected regularly, there was not always evidence provided to suggest that the borrower tracked it and used it for project-related decision-making. This could be because the PCR and supervision mission terms of reference did not focus specifically on this aspect. The PCR put scant attention on M&E, including lessons or recommendations on M&E shortcomings. This could be indicative of the limited seriousness that many PCR Task Managers placed on effectively implementing M&E and using M&E results. M&E implementation was often inadequate, but this was poorly reported in the PCRs, partly due to the lack of information. M&E

was also sometimes performed mechanically without understanding how the system could be of benefit to improving operations. This was likely due to a lack of ownership of the project results framework, as well as the inadequacy of the reporting systems and the lack of appropriate sector M&E systems with which to link the project.

Since the PCR has an accountability function, the borrower has a key role in the PCR preparation that should be emphasized by the PCR missions at the time of preparation. All in all, a key challenge was the availability of adequate upfront investment in quality M&E in order to ensure the provision of appropriate capacity and baselines. ■





Project Performance

This section synthesizes the results of the 65 PCRENS for 2018. Overall project performance, through the combined criteria of the relevance of project development objectives and design, effectiveness, efficiency, and sustainability, was satisfactory, with 74% of the 2018 projects achieving a satisfactory or better rating¹⁰. This performance was associated with that of the Bank, borrower, other development partners, and M&E. It was, however, lower than that of the 2017 project cohort and the baseline of 77%.

Project Results Performance

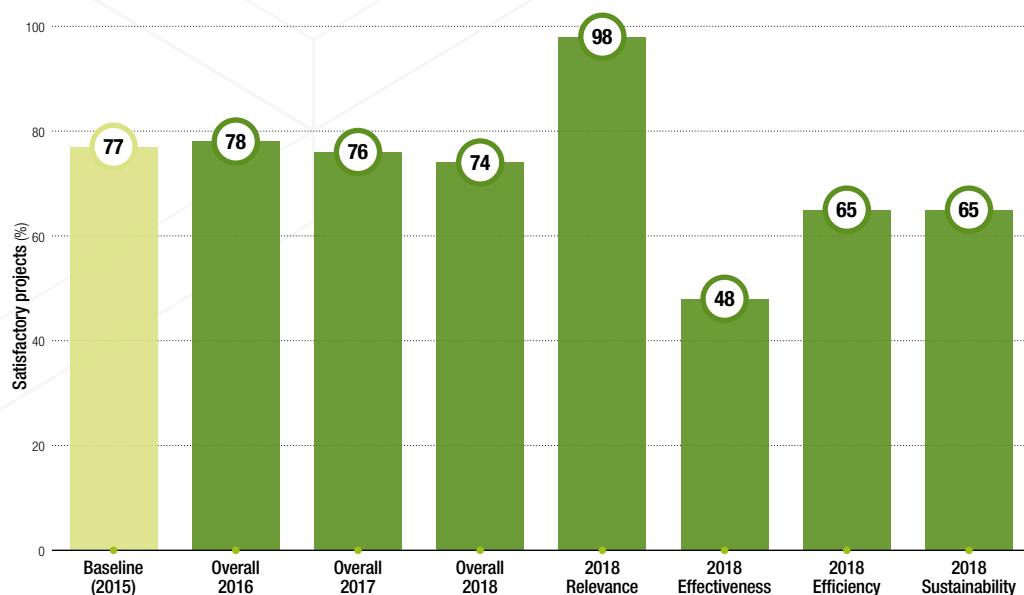
Overall project results performance: On the four dimensions (relevance of objectives and design, effectiveness, efficiency, and sustainability), project

performance was satisfactory (Figure 4). The overall project results performance scored, on average, 2.8, which was less than the maximum level of 4. This performance, though similar to that of the 2017 project cohort (2.9), revealed scope for improvement. About 74% of the 65 projects achieved satisfactory or better ratings in their overall project performance. The rest of the 2018 projects had unsatisfactory performance, but none were rated highly unsatisfactory. The project results performance was strongest on relevance of objectives and design, and weakest on effectiveness (Figure 4).

Relevance of project objectives and design: The relevance of project development objectives and design was rated satisfactory (3.4). The performance was better on the relevance of development objectives

Figure 4: Satisfactory project performance (%), 2016–2018 PCRs

(n = 65)



than on the relevance of design. The relevance of development objectives was highly satisfactory (3.7). All the 65 projects achieved a satisfactory or better score on the relevance of their objectives, signaling good alignment with the country's development priorities and with pertinent Bank strategies.

In the case of the relevance of project design, its performance was satisfactory, with an average score of 2.9; 84% of the projects performed satisfactorily or better. The relevance of project design was better in projects approved in 2014–2016 than those in 2004–2013; the former and latter periods account respectively for 2 and 15 of the projects with unsatisfactory relevance of project design within the cohort of the 65 projects. The level of satisfactory performance of project design implied scope for improving quality. As already indicated in section "*PCR and PCREN rating disconnect*", the relevance of project design was mainly challenged by deficiencies in the project results frameworks (including imprecise causal logics and limited identification of unintended effects, and the lack of adequate engineering designs for accurately determining costs.

Effectiveness (in terms of the extent of achievement of the outputs and outcomes):

Overall, effectiveness was unsatisfactory; it scored, on average, 2.4. Slightly less than half of the projects (48%), which accounted for 51 percent of the Bank's disbursed amount, recorded satisfactory or better performance on the extent of the achievement of the project DO, indicating that achieving the desired development results was often a challenge.

As expected, output performance (rated 2.8) was stronger relative to outcome performance (2.5). Seventy three percent (73%) of the projects achieved satisfactory or better output performance. The percentage was less for outcome performance (54%), which lowered overall development effectiveness.

Efficiency: Performance in this area, comprising timeliness, implementation effectiveness, resource use efficiency, and cost-benefit analysis, was, on average,

satisfactory (Table 2). Project efficiency averaged a performance score of 2.7. Sixty-five percent of the projects, which accounted for 80% of the Bank's disbursed amount, achieved satisfactory or better performance in overall project efficiency.

The performance was strongest in resource use efficiency with an average score of 2.9, revealing that the projects often delivered the outputs expected within the available budget. However, improvements were still possible. The implementation progress was scored as satisfactory (2.6). The majority of the projects (65%), accounting for 80% of the total disbursed amount, achieved a satisfactory or better rating in this area. Better implementation progress was associated with the presence of the Bank country office. The implementation progress score took into account compliance with covenants; project systems and procedures; and project execution and financing. Its score suggests that supervision could be improved. Project efficiency was weakest in timeliness and CBA measures. Timeliness, scored, on average, the lowest (2.4) among the efficiency measures, was unsatisfactory. Estimated times for completion at approval were usually overly optimistic, and there were delays in the flows of both costs and benefits. Delays in many infrastructure projects resulted from one or more extensions of the originally scheduled closing dates. Unlike the other efficiency measures, the rating of CBA was based on a lower number of projects; 14% of the projects, which have a weight of 15% in terms of share of the total project cost. The key CBA challenges have already been highlighted under the PCR quality section. Also, many of these validated projects did not present an acceptable CBA based on appropriate data and analysis. In several other cases, the PCR could not undertake ex-post cost-benefit analyses due to insufficient data. From the 14 projects, their average CBA score (2.5) was barely satisfactory.

Sustainability: Overall, sustainability performance, through financial sustainability, institutional and strengthening capacity, ownership and sustainability of partnerships, and environmental and social sustainability, was satisfactory. Its score averaged

2.7, and 65 percent of the projects generated benefits that were likely to be sustained. The prospect of sustainability in each of these four dimensions was satisfactory, but it was better in ownership and partnership, and environmental and social sustainability (Annex 5). Environmental and social sustainability was likely in about 74 percent of the number of projects. The sustainability performance in terms of ownership and sustainability of partnerships revealed a similar proportion. The Bank was involved with many partnership arrangements with other development partners and worked hard to establish multi-country project arrangements. Learning from the effectiveness of these arrangements was a challenge given the limited coverage of this aspect in the PCRs.

Institutional sustainability and strengthening of capacities averaged a satisfactory performance (2.7). About 70% of the projects that accounted for 85% in disbursed amounts were rated satisfactory or better in institutional performance. Satisfactory performance in institutional sustainability and strengthening of capacities was associated with strong community participation.

Financial sustainability was the weakest dimension of project sustainability. Its performance score, though satisfactory, averaged 2.6 (Annex 5).

Project results performance varied across financing window, region, and sector: Project results performance was satisfactory with limited variations across the financing window (ADF; ADB), the region (East; Central; North; South; West; Multi-Region), and the sector (Agriculture; Environment; Finance; Power; Transport; Water and sanitation; Social; Multi-Sector) (Annex 6).

Financing window performance: Both ADF- and ADB-funded projects performed satisfactorily. Although the performance of the ADB-funded projects (2.9) was relatively better than the ADF-funded (2.8), the performance difference between the ADF- and ADB-funded projects was marginal.

Regional performance: The project results performance was, on average, satisfactory for each region. The projects in the Northern region, which comprised middle income and ADB countries, showed the strongest results performance (3.0). On the contrary, multi-regional projects demonstrated the lowest performance. This performance could be linked to the challenge of managing multi-regional projects.

Sectoral performance: Although the projects in different sectors demonstrated an average satisfactory performance, there were a few notable differences. Water and sanitation, and social sectors constituted the smallest share of the 2018 PCRs (11.8% of the overall disbursed amount), but still had the best performing projects (average score of 3.0 and 3.1 in overall project performance, respectively). Highly satisfactory ratings in relevance and effectiveness were their strongest dimensions. The multi-sector projects, with the program-based operations (PBOs) accounting for 68% of them (22), though on average were satisfactory, were less effective relative to the water and sanitation, and social sectors. All but four of 15 PBOs were considered successful. The success of the PBOs was associated with the presence of high-level policy dialogue, quality planning, implementation and accountability systems, and ownership of the reforms by the government.

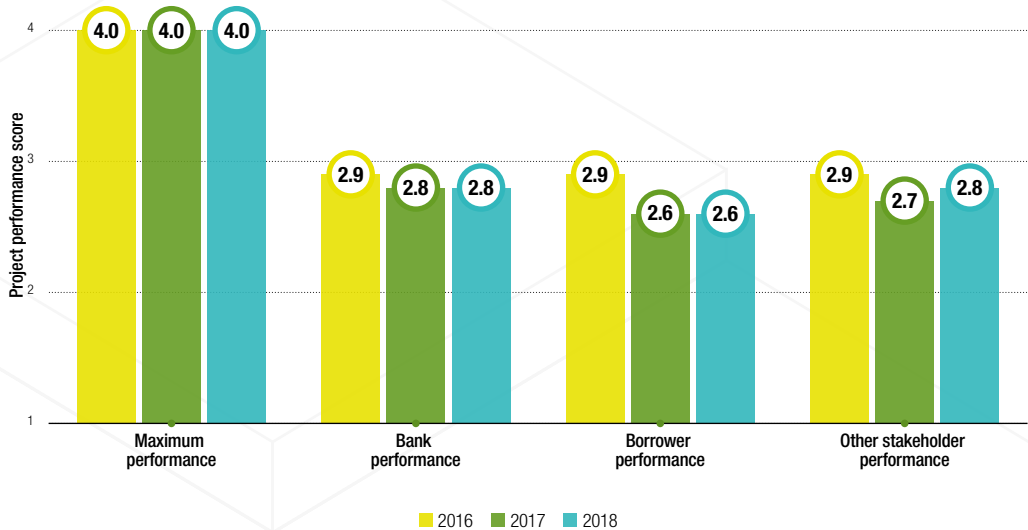
The finance and environmental sectors (2.7) had the weakest performance. The finance sector had the least representation in the 2018 PCR portfolio.

Performance of Stakeholders

The performance of project stakeholders (and quality of M&E) was part of the contributing factors to project results performance. In general, stakeholder performance was rated as satisfactory (Figure 5). Like projects results performance, it marginally declined over the period 2016–2018. Also, the Bank and other stakeholders performed better than the Borrower.

Bank performance: Bank performance was rated as satisfactory across all its seven areas (Annex 7). It, however, exhibited weaknesses, especially in the

Figure 5: Project stakeholder performance score, 2016–2018



Source: Data compiled from the IDEV's EVRD

preparation/appraisal phases, where it was found in some instances to be inadequate with limited rigor and technical depth. The Bank performed better on two areas/aspects (Enforcement of safeguard and fiduciary requirements; Quality of Bank supervision (in terms of frequency and skills mix) relative to the rest of the five aspects. It demonstrated its weakest performance on two (design and implementation of M&E system; proactive identification and resolution of problems at different stages of the project cycle) of the remaining five areas. These shortcomings were also associated with the projects that exited the Bank portfolio in 2017.

Borrower performance: Borrower performance was considered satisfactory with limited variation across its six dimensions. However, it was less strong compared to the Bank's performance (Annex 7). The comparatively weak areas of Borrower performance were in "responsiveness to supervision recommendations (in terms of implementation of agreed recommendations)"; "Measures are taken to establish the basis for project sustainability"; "Timeliness of preparing requests" (Annex 7).

Another frequent criticism was tardiness in providing counterpart funds, which slowed implementation. This issue could be associated with the over-optimism at the time of preparation, or unexpected reallocations for unbudgeted expenditures in other areas by the government concerned, or even new priorities following a change in government administration. As indicated in section "*Monitoring & Evaluation quality*", the borrower also exhibited inadequacies in project M&E implementation and use.

Performance of other stakeholders: The overall performance of other stakeholders was rated satisfactory with limited variations across its dimensions (Annex 7). However, it was notable in "responsive to client demand," but weakest in the quality of collaborative agreements and policy dialogue. The quality of work was sometimes inadequate. Works contractors, utility companies, and auditing firms performed well. However, regarding contractors, criticism concerned their failure to furnish performance guarantees on time and for consistent diligent reporting. ■





Conclusions and Lessons

General Conclusions

The PCR is an important tool for the Bank to account for its investments and to learn from experience in order to improve the quality of its interventions and their development effectiveness.

Quality of the 2018 PCRs

The quality of the 2018 PCRs was, in general, satisfactory, though uneven. There remains significant scope for improvement in certain aspects, including evidence, lessons, recommendations, M&E and compliance with Bank guidelines in terms of timeliness and stakeholder participation in PCR preparation. Seventy eight percent (78%) of the 2018 PCRs were considered satisfactory. The remainder of the 2018 PCRs had unsatisfactory quality.

In general, PCRs tended to rate project performance significantly higher than PCRENS. Furthermore, PCRs exhibited deficiencies in the quality of the evidence, lessons, recommendations, M&E, and compliance with Bank guidelines. The weakest PCR quality criteria were soundness of data generation and adequacy of the available evidence, and quality/objectivity of analysis. While some of the PCR lessons and recommendations were of good quality, others were inadequately identified and formulated, indicating that training in this aspect would lead to PCR quality improvement. The PCR quality compliance score, though acceptable, was below the desired level.

Regarding M&E systems, they were generally weak, especially their implementation and utilization. There were inadequacies in the M&E results framework and baseline data, and inappropriate indicators. The progress reporting of outputs was generally fair, but that on outcomes was weaker.

Project performance

Overall project performance was satisfactory, as assessed by the relevance of project development objectives and design, effectiveness, efficiency, and sustainability. About 73% of the 65 projects achieved satisfactory or better ratings in their overall project performance. The rest of the 2018 projects had unsatisfactory performance, but none were rated highly unsatisfactory. However, this performance revealed a scope for improvement.

Project performance was strongest on the relevance of objectives and design, but weakest on effectiveness (outputs and outcomes). The vast majority of the projects were highly relevant in terms of their objectives, signaling good alignment with the country's development priorities and with pertinent Bank strategies. The relevance of the project design was satisfactory, but the quality of the project results framework was inadequate. Project effectiveness performance was unsatisfactory, as only 48% of the 65 projects achieved their main development objectives. Projects performed better in delivering outputs than outcomes. Although project efficiency was satisfactory, it was limited by substantial delivery delays and high costs. Project sustainability was strong in terms of ownership and safeguards, but weak regarding financial and institutional aspects. Projects with a high level of community participation tended to have sustainable benefits.

The performance of projects was associated with that of the main stakeholders (Bank, borrower, and other development partners). Stakeholder performance was part of the contributing factors to project performance. It was better in terms of the services of the Bank and other stakeholders than those of the Borrower. Stakeholder performance was strongest in quality of supervision (Bank

performance), and responsiveness to client demands (other stakeholders), but weakest especially in (i) responding to supervision recommendations (borrower performance), (ii) supporting M&E design, implementation and use (Bank performance), and (iii) taking measures to promote sustainability of project benefits (borrower performance).

Lessons

The Bank values the quality of its PCRs, and project results. In its quest for quality and meaningful PCRs and project development effectiveness, the Bank is implementing an Integrated Quality Assurance Plan (IQAP) for the period 2019–2021. This IQAP was a response to lessons and recommendations from several diagnostics and IDEV evaluation studies, including the 2016 and 2017 PCR validations.

From the 2018 PCR validation exercise, multiple lessons and recommendations have been identified. The 2018 PCR validation provided similar recommendations to those of the 2016 and 2017 PCR validations. As the recommendations from the 2016 and 2017 PCR validations already have a Management Response which is currently being implemented, this synthesis report does not make additional recommendations and is being shared with the Board for information.

The relevant lessons identified in the 2018 PCRs and validated in the 2018 PCRENs were mostly common across the sectors of intervention, regions, and instruments of the Bank. They point to the following aspects that matter for (i) project preparation and design; (ii) implementation arrangements and implementation; and (iii) sustainability in different dimensions (institution and capacity building, and ownership). Below are the key lessons by theme:

Project preparation and design

- Incorporating lessons from previous projects is necessary for quality project design, but not consistently done.

- Adequate time and resources are needed for project preparation. Rushing such arrangements due to political pressure or in emergency contexts risks poor selection of components/outputs and outcomes.

- Ensuring wider stakeholder consultations is important to effectively capture the views of local communities during the design and formulation of programs.

- Integrating crosscutting issues like water supply and improvement of access to social services is an essential part of effective project planning during preparation.

- Where a project comprises a road network expansion, there should be a clear methodology for selecting the links to be improved. Packaging road contracts in “manageable” lengths should be encouraged to reduce costs and timely completion of projects.

- Projects with adequately identified and assessed risks and mitigation measures are most likely to be successfully implemented.

- Project implementation is likely to be timely and effective when collaborating partners are clearly identified with clear roles and responsibilities at project appraisal and inception stages.

- Multinational and regional projects are usually complex and require more time for preparation. The implementation structure needs to reflect the budget limitations and human resource constraints of the participating countries.

- Detailed, realistic, and meaningful designs are key prerequisites to avoiding time and cost overruns in projects.

- Integrating operations and maintenance and associated budget into project design is important for successful project implementation and results.

Implementation arrangements and performance

- Continuity of the same implementing Task Manager and team is a significant factor in a project's success.
- Addressing upfront the issue of delays in the payment of counterpart funds is important, as delays can result in increased costs.
- Inadequate implementation of a project's M&E framework can critically limit the available project information for evaluating performance and for learning from experience.
- An effective project M&E system requires adequate human capital with the appropriate skills and competencies, funds, institutional arrangements, material resources, and management commitment to using the M&E outputs.
- Project supervision missions are invaluable sources of information for improving implementation quality. They allow corrective measures to be taken to remove or manage any threats to the achievement of project targets.
- Project Mid-Term Reviews are necessary for good implementation and should be done at the most appropriate point of the project cycle; for example, an early Mid-Term Review is essential where there are persistent implementation issues.
- Budget support operations are most effective where there are strong supportive planning, implementation, and accountability systems.

- Multi-country projects need strong and effective joint coordination structures.

- Development of knowledge products and their effective dissemination are necessary to facilitate behavioral change and to guide the design and successful execution of future projects.

Institution and capacity building, and ownership

- Involvement of relevant government agencies and national civil organizations early in the project cycle is critical for improving the sustainability of project outcomes.
- Effective community participation (in design and implementation) is essential for sustaining project benefits, particularly in highly challenging and broader operating environments.
- With the effective participation of independent service providers, water systems are more likely to be sustainable.
- Public-private partnerships should be encouraged where appropriate.
- Preventing road damage due to heavy vehicle overloading requires harmonization and enforcement of regional regulations.
- Environmental studies are more useful in supporting project sustainability when they include potential impacts of climate change. ■



Annex 1: The 2018 PCR Sample

Table A1.1: 2018 PCR sampling universe by sector (number)

Sector	Sampling universe	Sample
Agric. & Envir.	16	11
Finance	4	3
Power	14	9
Social	7	5
Transport	10	7
Water & Sanitation	12	8
Multi-Sector	36	22
All sectors	99	65

Table A1.2: 2018 PCR sampling universe by region (number)

Sector	Sampling universe	Sample
Central	9	5
East	15	10
North	14	11
South	18	14
West	24	16
Multi-region	19	9
All regions	99	65

Table A1.3: Sample of the 2018 PCR projects by sector, region, country category, and approval period

Project characteristic	% of all projects	% of the total amount disbursed
Sector		
Agriculture and environment	16.9	7.3
Power	13.9	8.4
Transport	10.8	10.8
Finance	4.6	4.5
Social	7.8	8.4
Water and sanitation	12.1	3.4
Multi-sector	33.9	57.2
Region		
Central	7.7	1.5
East	15.4	9.6
North	17	42.8
South	21.5	5.8
West	24.6	32.1
Multi-region	13.8	8.2
Country category		
ADF-transition	33.9	8.9
ADF-other	18.4	13.6
ADB countries	33.9	69.3
Multinational	13.8	8.2
Year project approved		
2004–2010	30.8	24.5
2011–2013	43.0	11.6
2014–2016	26.2	63.9

Annex 2: Significant rating disconnects for 2018 PCRs and PCRENs by evaluation criterion

Criteria	No of projects	PCRs	PCRENs	Mean difference	t-statistic
Relevance	65	3.68	3.39	0.30	3.6026***
Relevance of project development objective	65	3.86	3.73	0.13	2.2691**
Relevance of project design	65	3.34	2.86	0.48	4.9598***
Effectiveness	65	3.05	2.43	0.63	6.4899***
Delivery of outputs	56	3.16	2.85	0.37	4.4884***
Realization of outcomes	55	2.92	2.51	0.49	6.4663***
Efficiency	65	2.95	2.65	0.30	5.0539***
Timeliness	65	2.52	2.35	0.17	2.3219**
Resource use efficiency	49	3.12	2.87	0.25	3.3752***
Cost-benefit analysis	14	3.21	2.53	0.68	1.9626**
Implementation progress	62	2.93	2.59	0.35	4.4407***
Sustainability	65	3.11	2.65	0.46	6.3755***
Financial sustainability	58	3.07	2.55	0.52	5.8491***
Institutional sustainability and strengthening of capacities	64	3.05	2.68	0.37	5.7406***
Ownership and sustainability of partnerships	62	3.11	2.77	0.34	4.4524***
Environmental and social sustainability	31	3.16	2.80	0.36	3.0718***
Overall Project Performance Rating	65	3.19	2.78	0.41	6.1198***
Bank performance	64	3.29	2.77	0.52	7.4873***
Borrower performance	59	3.40	2.61	0.79	2.7079***
Performance of other shareholders:	53	3.02	2.77	0.25	3.0748***

Annex 3: Quality and Compliance Scores for 2016, 2017 and 2018 PCRs

Criteria	2016 Score	2017 Score	2018 Score
Extent of quality and completeness of the PCR evidence and analysis to substantiate the ratings of the various sections	2.8	2.9	2.8
Extent of objectivity of PCR assessment score	2.7	2.8	2.7
Extent of internal consistency of PCR assessment ratings; inaccuracies; inconsistencies (in various sections; between texts and ratings; consistency of overall rating with individual component ratings)	2.9	2.9	3.1
Extent of identification and assessment of key factors (internal and exogenous) and unintended effects (positive and negatives) affecting design and implementation	2.7	2.9	3
Adequacy of treatment of safeguards, fiduciary issues, and alignment and harmonization	2.9	3.1	3
Extent of soundness of data generating and analysis process (including rates of returns) in support of PCR assessment	2.2	2.7	2.7
Overall adequacy of the accessible evidence (from PCR including annexure and other data provided)	2.3	2.8	2.8
Extent to which lessons learned (and recommendations) are clear and based on the PCR assessment (evidence & analysis)	2.9	3.1	2.9
Extent of overall clarity and completeness of the PCR	2.8	3	2.9
Average PCR quality score	2.7	2.9	2.8
PCR Timeliness		2.9	2.6
Extent of participation of borrower, co-financiers & field office in PCR preparation		2.6	2.7
PCR Compliance Score	2.8	3	2.8

Score: 4-3.5 = highly satisfactory, 3.49-2.5 = satisfactory, 2.49-1.50 = unsatisfactory, 1.49-1 = highly unsatisfactory.

Annex 4: Average PCREN ratings for M&E by sub-criteria, 2018

Criteria	Sub-criteria	IDEV Score (1-4)
M&E Design	M&E system is in place, clear, appropriate, and realistic	2.6
	Monitoring indicators and monitoring plan were duly approved	3.0
	Existence of disaggregated gender indicator	2.7
	Baseline data were available or collected during the design	2.8
Overall M&E design score		2.8
M&E Implementation	The M&E function is adequately equipped and staffed	2.4
M&E Utilization	The borrower used the tracking information for decision	2.6
Overall M&E performance score		2.6

Score: 4-3.5 = highly satisfactory, 3.49-2.5 = satisfactory, 2.49-1.50 = unsatisfactory, 1.49-1 = highly unsatisfactory.

Annex 5: Project performance results ratings by evaluation dimension, 2018

		Score	Projects scoring satisfactory and above in project performance (scoring 2.5 and above)	
			% of projects	% of the total amount disbursed
Overall project performance		2.8	74	85
Relevance	Overall Relevance	3.4	98	100
	Relevance of objective	3.7	100	100
	Relevance design	2.9	74	84
Effectiveness	Development objective	2.4	48	52
	Achievement of outputs	2.8	73	86
	Achievement of outcomes	2.4	54	55
Efficiency	Overall Efficiency	2.7	65	78
	Timeliness	2.4	37	72
	Implementation progress	2.6	65	80
	Resource use efficiency	2.9	54	34
	Cost-benefit analysis	2.5	14	15
Sustainability	Overall sustainability	2.7	65	71
	Financial sustainability	2.6	49	60
	Institutional sustainability	2.7	69	85
	Ownership and partnership	2.8	74	76
	Environment and social sustainability	2.8	37	32

Score: 4-3.5 = highly satisfactory, 3.49-2.5 = satisfactory, 2.49-1.50 = unsatisfactory, 1.49-1 = highly unsatisfactory.

Annex 6: Project results performance by sector, region, country category and approval period, 2018

Theme		Overall performance	Relevance, overall	Effectiveness, overall	Efficiency, overall	Sustainability, overall
All projects		2.8 (65)¹¹	3.4	2.6	2.6	2.6
Sector	Agriculture and environment	2.7 (11)	3.2	2.6	2.4	2.6
	Power	2.7 (9)	3.5	2.5	2.5	2.4
	Transport	2.7 (7)	3.1	2.7	2.6	2.6
	Finance	2.6 (3)	2.9	2.2	2.9	2.6
	Social	3.1 (5)	3.6	3.0	3.1	2.8
	Water and sanitation	3.0 (8)	3.7	2.7	2.6	2.6
	Multi-sector	2.7 (22)	3.3	2.6	2.8	2.6
Region	Central	2.8 (5)	3.8	2.8	2.5	2.4
	East	2.7 (10)	3.4	2.6	2.4	2.6
	North	3.0 (11)	3.1	2.7	3.2	2.9
	South	2.7 (14)	3.2	2.6	2.5	2.6
	West	2.8 (16)	3.6	2.3	2.7	2.7
	Multi-region	2.5 (9)	3.2	2.2	2.3	2.4
Country category	ADF	2.8 (34)	3.5	2.4	2.6	2.6
	ADB	2.9 (22)	3.2	2.5	2.8	2.8
	Multinational	2.5 (9)	3.2	2.2	2.3	2.4
Year project approved	2004–2010	2.7 (20)	3.3	2.6	2.3	2.7
	2011–2013	2.8 (28)	3.3	2.6	2.5	2.5
	2014–2016	2.7 (17)	3.4	2.7	3.1	2.7

Score: 4-3.5 = highly satisfactory, 3.49-2.5 = satisfactory, 2.49-1.50 = unsatisfactory, 1.49-1 = highly unsatisfactory.

Annex 7: Bank and Borrower performance for PCRs and PCRENs, 2018

Criteria	Sub-criteria	PCR	PCREN
Bank Performance	Proactive identification and resolution of problems at different stages of the project cycle	3.1	2.7
	Use of lessons learned from previous operations during design and implementation	3.0	2.8
	Promotion of stakeholder participation to strengthen ownership	3.0	2.8
	Enforcement of safeguard and fiduciary requirements	3.3	2.9
	Design and implementation of Monitoring & Evaluation system	3.0	2.6
	Quality of Bank supervision	3.0	2.9
	Timeliness of responses to requests	3.0	2.8
Overall Bank performance score		3.3	2.8
Borrower Performance	Quality of preparation and implementation	3.3	2.7
	Compliance with covenants, agreements, and safeguards	3.4	2.7
	Provision of timely counterpart funding	3.3	2.7
	Responsiveness to supervision recommendations	3.5	2.6
	Measures taken to establish the basis for project sustainability	3.4	2.6
	Timeliness of preparing requests	2.5	2.6
Overall Borrower performance score		3.4	2.6
Other stakeholders	Timeliness of disbursements by co-financiers (note: only one PCR rated this criterion, compared with 21 instances in the PCRENs).	4.0	2.9
	Functioning of collaborative agreements	3.0	2.8
	Quality of policy dialogue with co-financiers (for PBOs only)	3.0	2.8
	Quality of work by service providers	3.3	2.9
	Responsiveness to client demands	3.0	3.0
Overall performance of other stakeholders		3.0	2.8

Score: 4-3.5 = highly satisfactory, 3.49-2.5 = satisfactory, 2.49-1.50 = unsatisfactory, 1.49-1 = highly unsatisfactory.

Annex 8: References

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Endnotes

- 1 The Bank's "Staff Guidance on Project Completion Reporting and Rating" (2012) and the PCR validation template guided the preparation of the 2018 PCRENs. This staff guidance focuses on how to assess performance of the project (in terms of the international evaluation criteria of relevance, effectiveness, efficiency, and sustainability) and that of the stakeholders comprising the Bank, Borrower and other stakeholders.
- 2 The stratification was based on the Bank's sectors of intervention, and regions. The estimated sampling error is 7.2% based on a confidence level of 95%, sample size of 65 and sampling frame of 99.
- 3 The Centennial International Group was hired by IDEV to prepare the 65 PCRENs and a technical report on the PCREN results. In this regard, the objectives of this assignment included: (i) assessing the quality and validating the performance of each of the 65 projects covered in the PCRs, (ii) assisting AfDB management and staff to improve the quality of the PCR system, and (iii) contributing to IDEV's Evaluation Results Database (EVRD) on project performance and PCR quality and key lessons.
- 4 The sample size of 65 was based on the commitment in IDEV's 2019-2021 Work Program and the need to have a representative sample of the 2018 eligible projects. The sample of 65 PCRs represents 60 percent of the 108 projects eligible for project completion reporting in 2018. The sampling error was estimated at 7.2 percent, at the 95 percent confidence level.
- 5 The PCREN template replicates the evaluation criteria of the PCR, in addition to assessing the quality of the PCR and monitoring and evaluation. It also includes narratives on how to complete each of its sections.
- 6 A project can have multiple instruments.
- 7 Quality was rated on a four-point scale as described in the methodology section. PCR quality was considered satisfactory if it scored 2.5 or better out of the maximum of 4. As indicated in the methodology, the rating scale ranges from 1.0-1.49 (highly unsatisfactory) to 3.5-4 (Highly satisfactory performance).
- 8 The PCR-PCREN rating disconnect is defined as the difference between PCR and PCREN ratings.
- 9 However, SNOQ reported an improvement in PCR delivery timeliness, finding that 85% of the 2018 PCRs were timely as compared to 66% of the 2017 PCRs. This is mainly due to differences in the definition of PCR timeliness by SNOQ and IDEV. For IDEV, the PCR is either on time or not, while SNOQ allows a certain "grace period".
- 10 As indicated in the methodology section, a project with a satisfactory performance is one whose performance (in terms of relevance, effectiveness, efficiency and sustainability) has been rated at 2.5 or better (out of a maximum scale of 4).
- 11 Figures in parentheses are number of projects.



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Independent Development Evaluation
African Development Bank



About this evaluation

Each year, the African Development Bank Group (“the Bank”) undertakes self-evaluations of its sovereign operations through Project Completion Reports (PCRs) prepared by the appropriate operations departments. IDEV validates the PCRs and prepares PCR evaluation notes (PCRENs) and a synthesis report on each year’s PCRENs.

The 2018 PCR synthesis report validated findings from 65 PCRs. The sample covered PCRs in the following sectors: finance (3), environment (5), social (5), agriculture (6), transport (7), water supply and sanitation (8), power (9), and multi-sector projects (22).

The report assesses the relevance, effectiveness, efficiency, and sustainability of the Bank’s 2018 projects and draws lessons to inform decisions by the Bank’s Board of Directors and Management regarding future programming and the delivery of the High 5s and the Bank’s Ten-Year Strategy 2013–2022.

It also reports on the quality of the 2018 PCRs, including their compliance with Bank guidelines, the quality of monitoring & evaluation, and the disconnect in ratings between PCRs and PCRENs.

This report does not include recommendations. The recommendations made in the 2016 and 2017 PCREN synthesis reports are still valid, are being implemented and are yet to have discernible effects on PCR quality.



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