

AFRICAN DEVELOPMENT BANK GROUP



**OPERATIONS EVALUATION DEPARTMENT (OPEV)
ACTIVITY REPORT – THIRD QUARTER 2005**

**OPERATIONS EVALUATION DEPARTMENT
(OPEV)**

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1. Introduction

1.1 The third quarter of the year has consolidated the confidence to achieve most of the targets being set in OPEV's work programme for 2005. OPEV has completed two country assistance evaluations and is finalizing two other country assistance evaluations. Three review reports are under internal review before their submission to CODE and two major sector studies and one process review have been launched. Several other evaluation products are under preparation.

1.2 As part of its continued effort to build the skills and knowledge of its staff, two of OPEV's professional staff participated in a two-week intensive evaluation training in July 2005 at Carleton University, Canada (the International Programme for Development Evaluation Training- IPDET) which is a joint World Bank-Carleton University collaboration. A workshop on Results-Based Management, performance indicators, monitoring and evaluation systems was also attended by another staff member. During the third quarter, OPEV developed its cooperation and partnership activities with other evaluation departments of sister institutions such as DFID, UNDP, the WB and USAID and receiving the visit of evaluators from the Inter-American Development Bank (IaDB). Also, OPEV has provided assistance to the two senior evaluation advisors in charge of the Independent Review of the "Independence of the Operations Evaluation Department".

2. 2005 Work Programme Implementation Progress (third quarter update)

2.1 Work continues on the majority of CODE approved work programme evaluation priorities. The activities are at different stage of finalization and in this quarter a number of products were being completed. Two Country Assistance Evaluations (Ghana and Tanzania) were internally peer reviewed and will be submitted to CODE for consideration, as well as the review of the Loan Cancellation Policy and Practices, the Knowledge Management and Dissemination Strategy Paper and the Evaluation Guidelines of Private Sector Lines of Credit. Several country sector reviews which will be used as technical papers and as inputs for the preparation of Morocco Country Assistance Evaluation were finalized (Public Utility: water supply and sanitation, electricity and telecommunications sub-sectors), Agriculture and Rural Development, Social and Macroeconomic and financial reforms sectors and other sector reviewed have been launched in Ethiopia to feed in the Ethiopia country assistance evaluation.

2.2 Work has also been initiated for several products such as the review of the supervision system, the Evaluation Manual, Study of Independence of the Operations Evaluation Department, etc. In addition, the country review mission to Ethiopia covering three sectors (Public Utilities, Agriculture and Social) and Multi-sector operations (mainly policy-based lending) has been completed successfully. The department has also launched a review of a cluster of 41 project completion reports prepared in 2003-2004 and carried out five internal reviews of draft evaluation reports during this quarter.

A) Completed Evaluation Activities

i) Country Assistance Evaluations (CAEs)

The CAEs focus on Bank Group interventions were initiated based on Country Strategy Papers prepared between 1995 and 2005 and present key recommendations on setting priorities, selectivity, comparative advantage and issues of sustainability and development effectiveness. The findings, lessons learnt and recommendations were expected to feed into the future preparations of Bank Group CSPs.

- **Ghana Country Assistance Evaluation**

An initial summary report of findings of Ghana Country Assistance Evaluation has been submitted to CODE in order to be taken into account during the discussion of the Ghana CSP. The CAE report which was completed during the second quarter, is scheduled to be presented to CODE during the fourth quarter 2005. The report focuses on Bank Group activities during the period 1996-2004 and its key recommendations include a suggestion to leverage funding and augment Bank resources devoted to ESW and for sector interventions as well as for policy-based loans in support of balance of payments and budget support, and to move to joining SWAps with other donors based on sound ESW.

- **Tanzania Country Assistance Evaluation**

This CAE report is also scheduled to be presented to CODE during the fourth quarter 2005. It also covers the 1996-2004 period during which the Bank provided strong and continued support to economic reforms through policy-based lending operations and to the transport sector given its strategic role in enhancing its domestic and regional integration leading to stronger growth of the country. Its key recommendations include the need for the Bank to pursue its efforts in participating into the multi-donor budget support and Swaps and to further enhance its contribution to poverty reduction programmes with additional support to the social sectors health, education and the promotion of Women.

ii) Review of Bank Group Country/Sector Assistance

- **Review of Bank Group Country/Sector Assistance to Morocco in Six Sectors:** The six sectors are public utilities, transport, telecommunications, agriculture, social and macroeconomic/financial reforms. The objective of the reviews was to evaluate Bank Group interventions in the Country and to draw relevant lessons from the exercise. They are used as an input to the Morocco CAE and also to the Annual Report on Development Effectiveness (ARDE). The sector review reports have been peer reviewed and comments received from Operations have served to improve the quality of the reports.

- **Review of Bank Group Assistance to Tanzania in the Social and the Agriculture and Rural Development Sectors**

These studies were undertaken to evaluate Bank Group interventions in Tanzania in the Social Sector (health and education including a micro-finance project) and the Agriculture and Rural Development Sectors. Internal peer reviews with comments from Operations have served to improve the quality of the reports. Both Sectors major findings and recommendations have been taken into account for the Tanzania CAE and will also be used as an input to the ARDE.

- **Review of Bank Group Assistance to Ghana in the Social Sector:** This study was undertaken to evaluate Bank Group interventions in Ghana in the Social Sector (health and education operations)¹. An internal review with comments has served to improve the quality of the reports. The reports have also taken into account comments received from the Operations complex. The Sector's major findings and recommendations have been taken into account for the Ghana CAE.

iii) **Approach Papers and Terms of Reference for evaluation Products**

- **Needs Assessment of RMCs Evaluation Capacity Development Training:** An approach paper has been prepared and Terms of Reference have been drafted. The recruitment of the consultant is underway to undertake the assessment of RMCs needs for evaluation capacity development raining activities.

B) Evaluations nearly completed and being peer reviewed

- **Review of Loan Cancellation Policy and Practices:** The report is also scheduled to be presented to CODE during the fourth quarter 2005. The review has highlighted some concerns about the effectiveness of the guidelines and the efficiency of the process. Data on loans cancellation suggest that either unrealistic targets are being set during project preparation, or that project administration is less effective than it should be, or both. Recommendations were made to improve the quality of the data on loans qualifying for cancellation, and the cancellation monitoring system.
- **Evaluation Guidelines for Private Sector Lines of Credit Operations:** These guidelines were developed in line with the MDBs Good Practice Standards for evaluation of private sector operations. They will primarily guide self-evaluation and independent evaluation of financial market intermediations of the Bank Group in general and lines of credit operations of the Private Sector Department in particular.

¹ There are two reports, one for health and the other for education. The education report also contains sections in which Gender, Equity and Poverty reduction efforts have been assessed.

C) Work in Progress

- **Ethiopia Country Assistance Evaluation (CAE):** A field mission was undertaken and the field work has been launched concurrently with the sector reviews. The drafting of the evaluation report is underway and will be finalized during the fourth quarter.
- **Ethiopia, Review of Bank Group Assistance to four sectors and preparation of Project Performance Evaluation Report (PPER) for policy-based loans:** The four sectors are Agriculture and rural Development, Social, Multi-sector / Policy-Based lending and Transport. These activities have been launched and reports are underway to review the key results from the AFDB Assistance to the sectors and to inform the preparation of the CAE, as well as to provide a basis for accountability and drawing lessons learned for improving the current and future ADB operations. It is expected that the reports will be peer reviewed during this quarter and sent for comments to the Operations Complex.
- **ARDE, Development effectiveness of Bank Group Assistance:** In preparing the chapter 2 of the ARDE, OPEV has now completed the alignment exercise and the reclassification of projects using a sector and thematic classification is near to be completed. Databases on project performances of both on-going projects and completed are being set to provide informed assessment on development effectiveness of Bank's interventions. Preliminary outcome evaluative evidence on the ADB's assistance to nine countries (Mali, Mauritania, Rwanda and Tanzania are being analyzed, the updating of those to Burkina Faso, Uganda and Lesotho is ongoing. This will constitute the focus of Chapter two of the ARDE, which reviews the overall results of the Bank Group assistance and its contribution to country outcomes using the ADF Results Measurement Framework adopted in 2003.
- **Review of Bank Group Assistance to Kenya in the Agriculture Sector:** This study was undertaken to evaluate Bank Group interventions in Kenya in the Agriculture sector. The field mission was undertaken from 19May to 13June 2005 in Kenya. Work is still in progress and the final report is expected to be completed during the fourth quarter.
- **Dissemination, Feedback, and M&ECD Strategy:** The second quarter was spent undertaking background work for OPEV's forthcoming Dissemination, Feedback, and M&ECD strategy. The rationale for the strategy hinges upon: (i) the need for more accessible, relevant, timely, and usable evaluation findings, lessons, and recommendations, so as to better influence the design and implementation of Bank operations, including M&ECD practices in regional member countries; (ii) to strategically align OPEV's knowledge, dissemination, and feedback efforts with that of other MDBs and partner institutions; and (iii) to sharpen the country focus and strengthen M&ECD efforts in the Bank's regional member countries. The strategy will provide an assessment of the department's evaluation product mix, the extent of utilization of OPEV's independent findings, lessons, and recommendations, strategic alignment of evaluation

demand with supply, and will include activities to be undertaken to strengthen the department's dissemination, feedback, and monitoring and evaluation capacity building initiatives.

- PPERs for Policy-based loans (PBLs) extended to Cameroon, Chad, Cape Verde and Mozambique will be launched in third quarter with reports to be finalized first quarter 2006. These PPERs will serve as input to a review of development effectiveness of Bank Group PBLs.

3. Evaluation Cooperation and Partnerships

- During the third quarter, OPEV developed its cooperation and partnership activities with other evaluation departments of sister institutions such as DFID, UNDP, the WB and USAID. OPEV has also received the visit of evaluators from the Inter-American Development Bank (IaDB) to share their experience on supervision system review process and country assistance evaluation work. These cooperation activities have proved to be very instructive and useful to build up strong partnerships with sister institutions.
- As part of its continued effort to build the skills and knowledge of its staff, two of OPEV's professional staff participated in a two-week intensive evaluation training in July 2005 at Carleton University (the International Programme for Development Evaluation Training- IPDET) which is a joint World Bank-Carleton University collaboration. While in Ottawa, Canada, OPEV officials met with the Canadian International Development Agency (CIDA) Evaluation Department to exchange information on their respective work programmes and ongoing evaluations in Africa, notably the Ghana and Tanzania CAEs. Because of CIDA's experience with RBM over the last decade and the usefulness of sharing this experience with OPEV from an Evaluation perspective, it was mutually agreed to explore venues of collaboration between OPEV and CIDA. An official from CIDA's Evaluation Department en route to Ghana will visit OPEV in November 2005 to discuss RBM, the Ghana CAE and the possibility future exchanges in areas of mutual interest.
- A workshop on Results-Based Management, performance indicators, monitoring and evaluation systems was also attended by another staff member.

4. Indicative List of Evaluation Reports for Board Presentation in 2005 (update)

<i>No</i>	<i>Evaluation Reports</i>	<i>Planned Date for Board Distribution</i>
1.	OPEV Feedback/Dissemination Strategy	November 2005
2.	Tanzania Country Assistance Evaluation	October 2005
3.	Ghana Country Assistance Evaluation	October 2005
4.	Operations Evaluation Manual Update	December 2005
5.	2005 Annual Development Effectiveness Report	December 2005
6.	Report of the Independence of the Evaluation Function	November 2005
7.	Ethiopia Country Assistance Evaluation	December 2005
8.	Ethiopia PPER PBL	November 2005
9.	Morocco Country Assistance Evaluation	December 2005
10.	Review of BG operations in the Health Sector	December 2005
11.	Mozambique PPER PBL	December 2005
12.	Needs Assessment of RMCs Evaluation Capacity Development Training	December 2005