

AFRICAN DEVELOPMENT BANK GROUP



**OPEV: PROPOSED 2009-2011 THREE-YEAR ROLLING
WORK PROGRAMME AND BUDGET**

**OPERATIONS EVALUATION DEPARTMENT
(OPEV)**

06 October 2008

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ABBREVIATIONS AND ACRONYMS

AfDB	African Development Bank
CAE	Country Assistance Evaluation
CODE	Committee Operations and Development Effectiveness
CSP	Country Strategy Paper
DAC	Development Assistance Committee
ECD	Evaluation Capacity Development
ECG	Evaluation Cooperation Group
IFAD	International Fund for Agriculture Development
M&E	Monitoring and Evaluation
MDB	Multilateral Development Bank
NTF	Nigerian Trust Fund
ODA	Official Development Assistance
OED	Operations Evaluation Department (of the World Bank)
OPEV	Operations Evaluation Department
ORPC	Operations Policy and Compliance Department
PCR	Project Completion Report
PPER	Project Performance Evaluation Report
RDE	Report on Development Effectiveness
RD	Rural Development
STS	Short Term Staff
UNDP	United Nations Development Program
UNEG	United Nations Evaluation Group
UNICEF	United Nations Children's Fund
WIP	Work in Progress

EXECUTIVE SUMMARY

INTRODUCTION

1.1 This paper presents the proposed three year rolling Work Programme for the Operations Evaluation Department (OPEV) for the years 2009 to 2011. It builds on the Bank Group's strategic priorities, articulated in the ADF XI Governors' Report and the Bank Group's draft Medium Term Strategy. It outlines the human resources and financial resources required to deliver the programme, and concludes with recommendations for consideration by the Operations and Development Effectiveness Committee (CODE).

1.2 OPEV's budget is 'ringfenced': in other words, neither Management nor OPEV can transfer funds to or from other complexes in the Bank without Board approval.

1.3 Since 2007, OPEV's budget has not been subject to Management arbitration, unlike budget requests made by other complexes. Subject to CODE's endorsement, OPEV's proposed Workload Budget will be included in the Bank's overall budget for consideration by the Board, which is responsible for approving the overall Bank budget.

1.4 There is broad fungibility in the budget. This means that OPEV can vire funds between specific activities (as in the past), and now also between budget heads for staff missions, consultants and salary savings (from unfilled staff positions).

STRATEGIC FRAMEWORK

1.5 OPEV contributes to the Bank's corporate goals and overall development effectiveness by promoting accountability and learning from experience. OPEV's mission is to help the Bank, through independent and influential evaluation, to foster sustainable growth and poverty reduction in Africa.

1.6 OPEV's goal of promoting accountability and learning is supported by **four key objectives**:

- Delivery of project and programme level evaluations
- Delivery of high level evaluations
- Knowledge management and dissemination
- Evaluation capacity development and training

1.7 Underpinning OPEV's work is a set of **guiding principles**:

- Responsiveness to needs
- Credibility/integrity of results
- Usefulness of outputs
- Appropriateness and creativity of approaches and methods
- Cost and time effectiveness (efficiency) in production

1.8 Key Performance Indicators are becoming an increasingly important management tool as the Bank moves from an input-driven to a performance-oriented budgeting process. OPEV last year presented a sophisticated set of Key Performance Indicators, involving careful assessment and calculation of weighted ratings related to OPEV's activities. In practice, these indicators

proved to be cumbersome and difficult to use. Accordingly, while retaining the basic framework setting out targets and metrics at four levels, for 2009 it is proposed to use simple, selected indicators related to key activities as proxies for OPEV's overall performance. These are presented in the table below.

Key Performance Indicators		
Key Performance Indicator	Target (for 2009)	Metric (% achievement of target)
Input		
○ <i>Budget</i>	Approved budget for 2009	100%
○ <i>Staff resources</i>	Approved staffing for 2009	90%
Output		
○ <i>Project level</i>	100% PCRs received by OPEV reviewed within 3 months of receipt	90%
○ <i>High level evaluations</i>	100% major sector and thematic evaluation and CAE reports in Work Programme delivered by end 2009	80%
○ <i>Knowledge management</i>	100% of major evaluations published and disseminated within 3 months of completion	80%
○ <i>Evaluation Capacity Development</i>	OPEV supports attendance of at least 10 RMC evaluators at professional workshops and training	90%
Outcome		
○ <i>Reception by CODE</i>	70% of specific evaluation recommendations accepted by CODE	90%
○ <i>Client satisfaction</i>	70% of Board Members and Senior Management find OPEV products satisfactory in terms of quality and utility.	60%
Impact		
○ <i>Contribution to the Bank's overall development effectiveness¹</i>	(Corporate)	(Corporate)

HUMAN RESOURCES REQUIREMENTS

1.9 OPEV currently has 14 professional staff positions at its disposal, and the budget request below is based on this figure. However, recurrent vacancies have constrained delivery. Further recruitment is in hand.

1.10 OPEV's current staffing structure and composition is suboptimal. OPEV's flat structure requires all professional staff to report to the Director, creating a heavy staff management load. This not only constrains effective staff management but also reduces the capacity for strategic direction. Accordingly, CODE's approval is sought to create two Divison within OPEV. This will provide more focused and consistent management of the two main workstreams, and give the Director's office increased capacity to engage strategically across the organisation, as well as ensuring more effective communication of evaluation results.

1.11 Reconfiguring OPEV will require the creation of three new posts at PL2 level, of which two are new Divisional Manager posts and the third involves upgrading an existing post to create

¹ The eventual impact of OPEV's work, and of the evaluation function more widely, can only be measured as part of the Bank's overall effectiveness, assessed at corporate level. However, it is included here for completeness in setting out the 'results chain'.

a Lead Expert position (PL2) in the Director's front office. 5 new GS positions are also required to support professional staff. Demands on OPEV are expected to grow in 2010 and 2011, and modest staff increases will be required. The table below summarises staff requirements over the three year period.

	2008	2009	2010	2011
EL	1	1	1	1
PL2	-	3	3	3
PL3	2	2	3	3
PL4	10	9	9	9
PL5	1	1	2	2
PL6	1	1	1	2
PL total	14	16 (2)	18 (2)	19 (1)
GS8	-	2	2	3
GS7	3	4	6	7
GS6	1	1	1	1
GS5	-	2	2	2
GS total	4	9 (5)	11(2)	13 (2)

WORKLOAD BUDGET REQUEST

1.12 The total Workload Budget request for 2009 is UA 1, 755,876, which is 6.6% greater than comparable allocation in 2008 of UA 1.643 million. Increases of a similar order are proposed for 2010 and 2011, reflecting the need to increase evaluation output to keep pace with the expansion of the Bank Group's overall portfolio and the increased focus on high level evaluation.

1.13 OPEV's Workload Budget cost estimates for the period 2009-2011 are shown in the table below. More detailed costings appear in Annexe 3. The figures indicate the estimated costs of staff missions and consultants (including consultants' missions).

*Workload Budget 2009-2011**

	2009	2010	2011
Staff Mission	197,665	212,065	227,365
Consultants	1,558,211	1,674,806	1,799,746
TOTAL	1,755,876	1,886,871	2,027,111

1.14 The table below outlines allocations by business line or workstream over the next three years, indicating modest increases each year under each heading, with well over half of the funding going to high level evaluations.

Workload Budget by Business Lines 2009-2011

Business Lines	2009	2010	2011
Project and Programme evaluation reports	634,559.46	681,732	732,835
High Level Evaluations	1,005,040	1,080,489	1,160,853
Knowledge Management & disseminations	100,239	107,376	115,429
Evaluation Capacity development & training	16,037	17,272	17,992
TOTAL for Regular BSL	1,755,876	1,886,871	2,027,111

RECOMMENDATIONS

1.15 CODE is invited to consider the following recommendations:

- (a) To approve the updated strategic framework for OPEV, including the mission, objectives, guiding principles, and key performance indicators (Sections 2.2 and 2.4).
- (b) To approve the 2009-2011 Three Year Rolling Work Programme (Annex 2).
- (c) To endorse proposals for establishing two Divisions within OPEV, and provide a view for consideration by the full Board.
- (d) To endorse the sum of **UA 1,755,876** for the 2009 Workload Budget, including staff mission and consultant costs (see table above).
- (e) Noting that OPEV depends upon centrally managed budgets for training and equipment, to consider whether these budget lines should be decentralised to OPEV in future years, to minimise perceived risks to OPEV's independence, integrity and credibility. It should be noted that budgets for training and equipment are subject to arbitration whereas OPEV's Workload Budget is not.

1. INTRODUCTION

1.1 Background

1.1.1 This paper presents the proposed three year rolling Work Programme for the Operations Evaluation Department (OPEV) for the years 2009 to 2011. It outlines the human resources and financial resources required to deliver the programme, and concludes with recommendations for consideration by the Operations and Development Effectiveness Committee (CODE).

1.1.2 OPEV is an independent unit of the African Development Bank that reports to CODE². OPEV serves the African Development Bank by undertaking unbiased, independent evaluations of the Bank's operations, policies and procedures in order to ensure learning and accountability for its operations and, ultimately, to promote development effectiveness.

1.1.3 In this context the term "evaluation" means the systematic and objective assessment of an on-going or completed project, programme or policy, its design, implementation and results.³

1.1.4 The past year continued to be a time of change for the Bank, which saw work to revise its medium term strategy, and to prepare for the ADF XI replenishment. The successful ADF XI replenishment set out a clear strategic orientation and the medium term strategy is on the table. OPEV's proposed 2009-2011 Work Programme is closely aligned with the Bank Group's new priorities (see Section 3.2.3 below).

1.1.5 The proposed Workload Budget required to deliver the draft 2009-2011 Work Programme ties in with the Bank's multi-year budgeting process, and will be reviewed and updated annually on a rolling basis. Subject to CODE's endorsement, OPEV's proposed 2009-2011 Workload Budget⁴ will be included in the Bank's overall budget for consideration by the Board, which is responsible for approving the overall Bank budget. Timely approval by CODE is therefore required, given the deadlines imposed by the overall budget process of the Bank.

1.1.6 As from 2007, OPEV's Workload Budget has been ring-fenced. This means that neither Management nor OPEV is able to transfer funds to or from other complexes in the Bank without Board approval. OPEV's budget is not subject to Management arbitration, unlike budget requests made by other complexes.

1.1.7 For 2008 there has been for the first time broad fungibility in the budget. This means that OPEV can not only transfer funds between business lines (as in the past), but now also between mission costs, consultant costs and salary savings (from unfilled staff positions).

² *The Independent Evaluation Policy And Functional Responsibilities of the Operations Evaluation Department (OPEV): ADF/BD/WP/2007/21*

³ OECD – DAC: *Glossary of Key Terms in Evaluation and results Based Management*, p 21.

⁴ In terms of the Bank's budget procedure OPEV is not responsible for estimating the amounts for staff cost and overheads. Section 5 sets out further details.

1.2 Objectives of the Report

Bearing this background in mind, the specific objectives of this paper are as follows:

- (a) To present for CODE consideration and guidance, a Work Programme comprising the set of evaluation studies proposed on a rolling basis for the 2009-2011 period.
- (b) To provide a basis for discussion of OPEV's human resource requirements between 2009 and 2011.
- (c) To provide a basis for discussion of OPEV's 2009-2011 Workload Budget, including indicative budget allocations for specific tasks.
- (d) To provide Workload Budget estimates for CODE approval on the basis of the proposed OPEV Work Programme and outputs.

1.3 Layout of the Document

- 1.3.1 *Section 2* provides the strategic framework for OPEV's vision for 2009. It firstly outlines the Bank's strategic priorities, followed by a note of OPEV's mission, objectives and guiding principles. It then outlines a classification of OPEV's products and sets out revised Key Performance Indicators for 2009.
- 1.3.2 *Section 3* introduces the proposed Work Programme for 2009-2011, including an analysis of its alignment with the Bank Group's strategic priorities. This is preceded by a short note on progress during 2008.
- 1.3.3 *Section 4* focuses on the human resources required to deliver the proposed Work Programme, outlining proposals for a modest increase in staff numbers and for restructuring OPEV to allow stronger management and faster, more efficient delivery.
- 1.3.4 *Section 5* outlines the utilisation of 2007 Workload Budget allocation, and progress made with assigning funds from the 2008 Workload Budget allocation. It then sets out proposals for OPEV's Workload Budget for the period from 2009-2011, including the 2009 budget request.
- 1.3.5 *Section 6* makes recommendations for consideration by CODE.

2 STRATEGIC FRAMEWORK

2.1 Alignment with the Bank Group's Strategic Priorities

2.1.1 In order for OPEV to respond in a proactive manner to the evaluation needs of Operation Complexes, it has to ensure that evaluations focus on the Bank Group's strategic priority areas, which have been set out in the ADF XI Deputies' Report and the Bank's Medium Term Strategy. These papers shift the Bank Group's *operational focus* to infrastructure, governance, private sector and higher education/science and technology. There will also be an *increased emphasis* on regional integration, fragile states and MICs. Key *cross cutting themes* to be addressed include gender, climate change and knowledge management.

2.1.2 Under ADF XI, the Bank has also undertaken to intensify and extend efforts to (i) measure and report operational results and instil results-based management throughout the institution; (ii) ensure quality at entry for ADF strategies and operations; (iii) instil a continuous supervision culture; (iv) enhance learning and accountability through evaluation; and (v) improve results through more effective decentralization and harmonization.

2.1.3 While OPEV in the past has generally been operating in line with most of these areas of focus, it is intended that the 2009-2011 Work Programme should be even more closely aligned to the priorities set out in the strategy documents. Consequently, OPEV's Work Programme for 2009-2011 lays out a range of evaluations to address the Bank's strategic themes and objectives, while continuing to give attention to frameworks and processes underpinning operations.

2.2 OPEV's Mission, Strategic Objectives and Guiding Principles

OPEV's mission is to help the African Development Bank to foster sustainable growth and poverty reduction in Africa through independent and influential evaluations.

Such evaluations assess the Bank Group's policies, procedures and operations, review performance and report on results in order to draw useful lessons and promote accountability. OPEV will ensure effective communication of evaluation results to the Bank's stakeholders.

2.2.1 OPEV contributes to the Bank's corporate goals and overall development effectiveness by promoting accountability and learning from experience. OPEV's **mission** is to help the Bank, through independent and influential evaluation, to foster sustainable growth and poverty reduction in Africa.

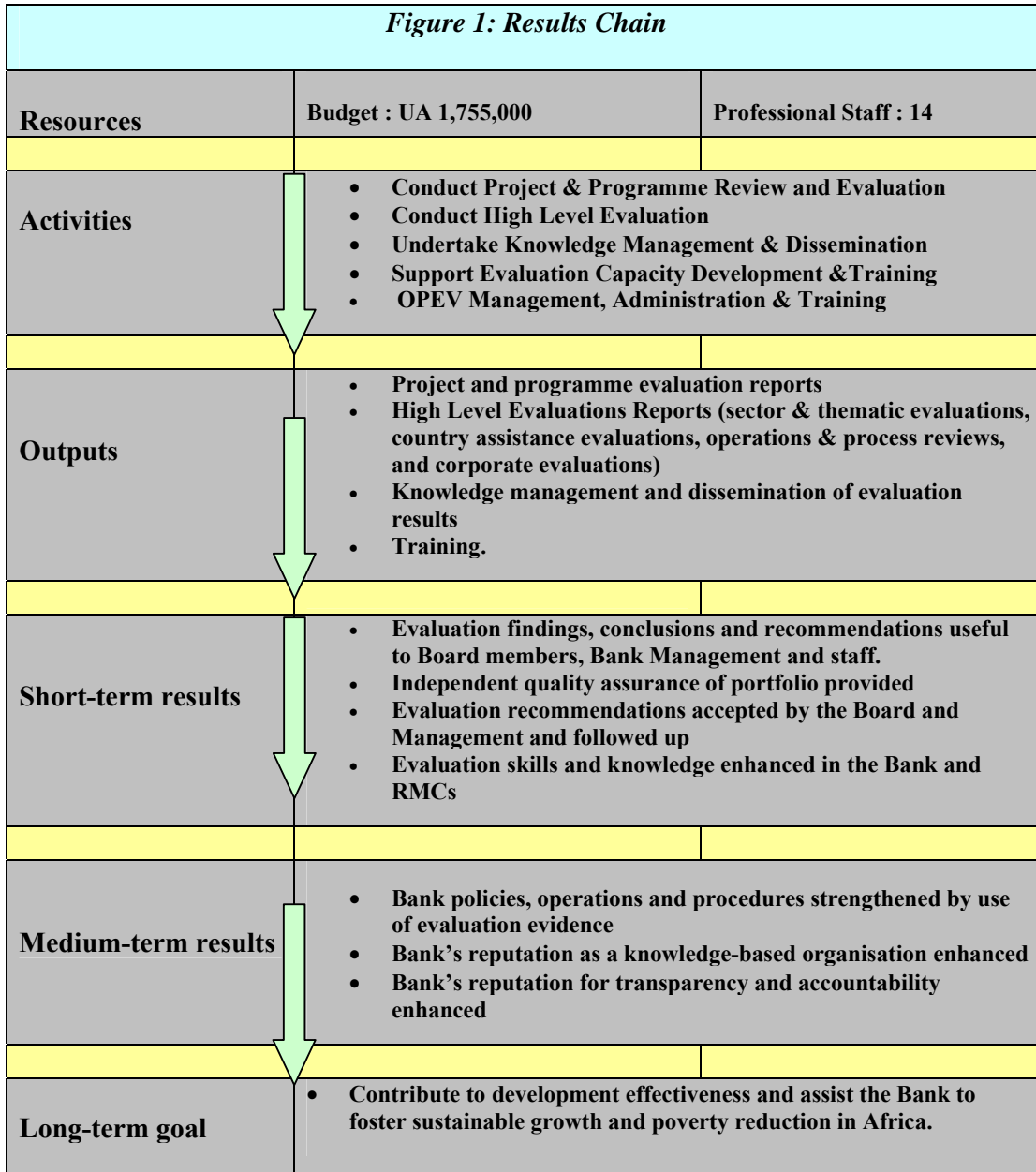
2.2.2 OPEV's goal of promoting accountability and learning is supported by **four key objectives**:

- Delivery of project and programme level evaluations
- Delivery of high level evaluations
- Knowledge management and dissemination
- Evaluation capacity development and training

2.2.3 Underpinning OPEV's work is a set of **guiding principles**:

- Responsiveness to needs
- Credibility/integrity of results
- Usefulness of outputs
- Appropriateness and creativity of approaches and methods
- Cost and time effectiveness (efficiency) in production

2.2.4 OPEV's strategic framework is summarised schematically in Figure 1 below⁵.

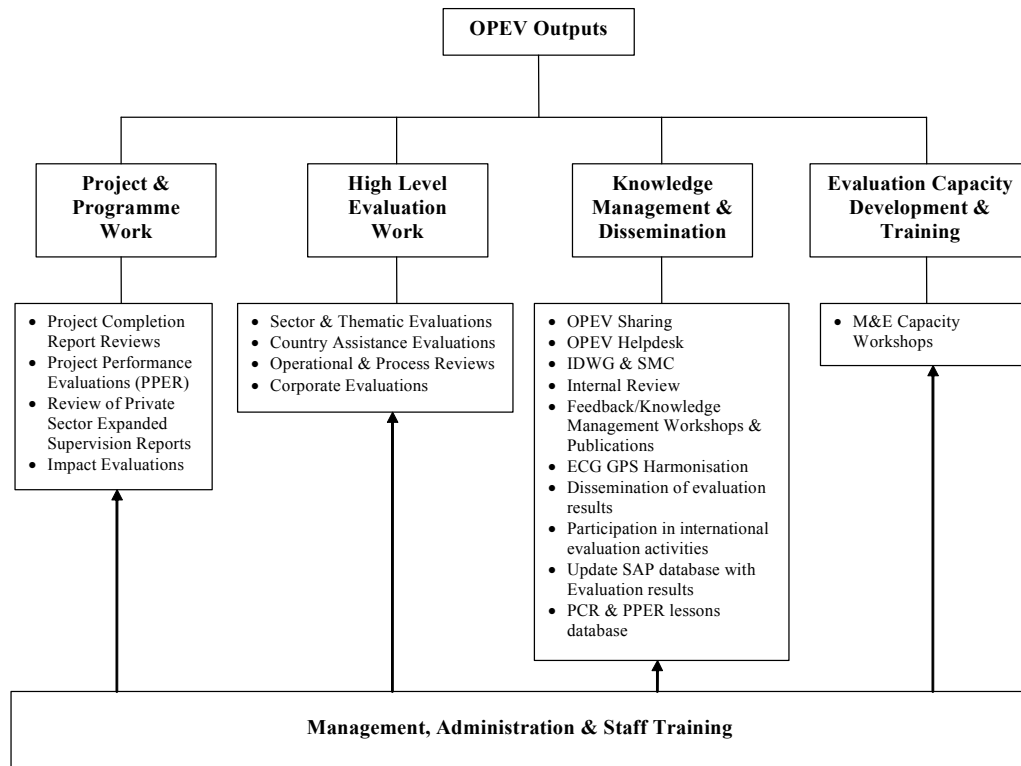


2.3 Classification of OPEV Outputs and Activities

2.3.1 OPEV's outputs and activities are classified in terms of Project & Programme Evaluations, High Level Evaluations, Knowledge Management & Dissemination and Evaluation Capacity Development & Training (see Figure 2). In addition OPEV staff devote time to Management & Administration, as well as staff training.

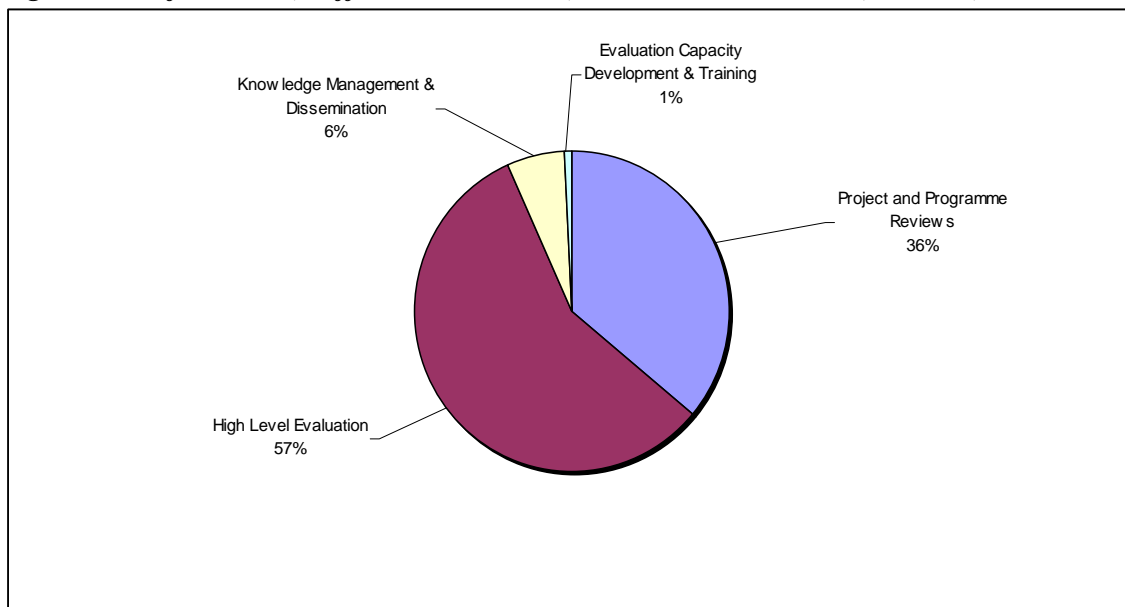
^{5 5} A highly participatory staff retreat in June 2008 provided a valuable opportunity to develop OPEV's strategic framework while ensuring strong ownership by the OPEV team.

Figure 2: Classification of OPEV Products



2.3.2 More than half of the total amount of professional resources (staff and consultants) will be allocated to High Level Evaluations (see Figure 3 below). The projected mix of staff and consultant resources per product output is presented in Annex 3.

Figure 3: Professional (Staff and Consultants) Resources Allocation (FY 2009)



2.4 Key Performance Indicators

2.4.1 Key Performance Indicators are becoming an increasingly important management tool as the Bank moves from an input-driven to a performance-oriented budgeting process. OPEV last year presented a sophisticated set of Key Performance Indicators, involving careful assessment and calculation of weighted ratings related to OPEV's activities. In practice, these indicators proved to be cumbersome and difficult to use. Accordingly, while retaining the basic framework setting out targets and metrics at four levels, for the moment it is proposed to use simple, selected indicators related to key activities as proxies for OPEV's overall performance.

2.4.2 OPEV's Key Performance Indicators for 2009 are presented in Table 1 below. OPEV has identified targets at four levels by which to monitor its performance. These focus on the following levels:

- (a) **inputs**: utilising the budget allocation and staff complement effectively;
- (b) OPEV's **output** of evaluation products;
- (c) **outcomes** in terms of acceptance of evaluation recommendations and the level of satisfaction reported by the Board and Management; and
- (d) eventual **impact** in terms of development results.

2.4.3 Each KPI is allocated not only target but also a metric by which the achievement of the KPI can be monitored quarterly and reported annually. For example, while OPEV's target in 2009 is to provide independent review of 100% of the PCRs it receives within three months of receiving the report. However, it is realistic to assume some slippage (for example due to staff turnover). Accordingly, the metric for expected achievement is only 90% of the target. In future years, with more secure staffing, OPEV could aim to improve performance and raise the metric for expected achievement to 95%.

2.4.4 Progress made with the achievement of KPIs will be assessed on a quarterly basis. Thus it will be a management tool and not only a performance gauge at yearend. These indicators will also be used to benchmark performance in future years. A client satisfaction survey among Board members and Management will be conducted to assess satisfaction levels. Consideration will also be given in future years to developing a client survey among Bank staff and of evaluation users external to the Bank.

Table 1: OPEV: Key Performance Indicators for 2009		
Key Performance Indicator	Target (for 2009)	Metric (% achievement of target)
Input		
o <i>Budget</i>	Approved budget for 2009	100%
o <i>Staff resources</i>	Approved staffing for 2009	90%
Output		
o <i>Project level</i>	100% of PCRs received by OPEV reviewed within 3 months of receipt	90%
o <i>High level evaluations</i>	100% major sector and thematic evaluation and CAE reports delivered by end 2009	80%
o <i>Knowledge management</i>	100% of major evaluations published and disseminated within 3 months of completion	80%
o <i>Evaluation Capacity Development</i>	OPEV supports attendance of at least 10 RMC evaluators at professional workshops and training	90%
Outcome		
o <i>Reception by CODE</i>	70% of specific evaluation recommendations accepted by CODE	90%
o <i>Client satisfaction</i>	70% of Board Members and Senior Management find OPEV products satisfactory in terms of quality and utility.	60%
Impact		
o <i>Contribution to the Bank's overall development effectiveness⁶</i>	(Corporate)	(Corporate)

3 PROPOSED 2009-2011 WORK PROGRAMME

3.1 Progress with the 2008 Work Programme Outputs

3.1.1 At mid-year, OPEV had made slow progress in delivering the current Work Programme. However, several major evaluations will be completed by the end of the year, and this year has also seen completion of five studies carried over from previous years. Table 2 provides a summary of the progress to date (31 August 2008) in completion of tasks as per the approved 2008 Work Programme, as well as tasks expected to be completed by year end. A detailed breakdown of the delivery of specific tasks is provided in Annex 1.

3.1.2 Delivery has been constrained by the need to complete several evaluations from the previous year's programme. Considerable time has been devoted to taking forward several challenging high-level evaluations, including the Report on Development Effectiveness and the Joint Evaluation on Agriculture and Rural Development. Both of these have proved extremely demanding. Attention was also given to undertaking three Expanded Supervision Reports (XSRs) jointly with OPSM, to support the establishment of a well-founded approach to self-evaluation of private sector operations. Operations Departments have also sought the advice of OPEV staff on evaluation issues, and OPEV contributes to OPSCOM discussions.

⁶ The eventual impact of OPEV's work, and of the evaluation function more widely, can only be measured as part of the Bank's overall effectiveness, assessed at corporate level. However, it is included here for completeness in setting out the 'results chain'.

Table 2: Summary of Progress in Delivering Outputs from 2008 Work Programme⁷:

	Studies*	Approved by CODE for 2008	Completed as at 31-08-08	Additional expected by 31-12-08	Total to be completed in 2008	%
1	Project and Programme Reviews	66	29	36	65	99%
2	Sector and Thematic Evaluation	6	1	2	3	50%
3	Country Assistance Evaluations	4	0	2	2	50%
4	Country Assistance Evaluation Notes	4	0	0	0	0%
5	Review of Operational Processes	3	0	0	0	0%
6	Corporate Evaluations	4	2	1	3	75%

*Not including 5 studies completed in 2008, carried over from 2007 programme.

3.1.3 The main constraint has been continued staffing gaps, at both professional and support levels, which has meant that some tasks have had to be postponed. Staff recruitment in itself has been time consuming and for one post proved fruitless. Although appointment of Young Professionals and some consultancy input has helped to address staffing gaps, these inputs have in turn required careful management.

3.1.4 This repeats the pattern experienced in 2007, when staffing gaps and the management transition constrained delivery of high level evaluation reports (despite good performance in completing project level evaluation activities).

3.1.5 Consequently, it has become clear that there is a need for OPEV to restructure to ensure continuity through more focused and sustained attention to key tasks, and to allow the appointment of a senior management team better able to provide a high level of motivation, guidance and support to staff, and to engage fully with the operations complexes. Proposals in this regard are set out (see Section 4 and Annex 4).

3.1.6 Despite the high vacancy rate, progress has been made in several areas. OPEV now has a clearer strategic framework to guide its work. A Resource Coordinator has recently been appointed and now provides focused attention to financial and human resource management, freeing the time of professional staff for attention to evaluation activities. Further staff recruitment is under way, supplemented by long term consultancy input. This provides a basis for more consistent delivery in future.

3.1.7 Further, OPEV has also actively promoted evaluation both within the Bank, including through publication of a trilingual glossary of evaluation terminology in English, French and Arabic⁸, and by hosting a meeting in Tunis of the Evaluation Coordination Group (ECG), bringing together the heads of evaluation of the multilateral development banks. This was followed by a workshop, also attended by evaluation staff from sub-regional development banks from the region, on "Evaluation and Public Private Partnerships". OPEV also collaborated on a DFID-led review of public financial management⁹.

⁷ Tasks approved by CODE scheduled for delivery in 2008.

⁸ *Glossary of Key Terms in Evaluation and Results Based Management in English French and Arabic* (OPEV 2008): produced jointly with the OECD/DAC and the Islamic Development Bank.

⁹ *A review of PFM reform literature* (DFID, forthcoming)

3.2 OPEV's Work Programme 2009-2011

3.2.1 Over the past year, the Bank's strategic direction has been consolidated and clarified. As noted above (section 2.1), these changes flow from the work of the High Level Panel, the ADF XI negotiations, and the development of the Medium Term Strategy. In addition, the Bank is making progress with streamlining and reform of its internal procedures. These changes are reflected in OPEV's Work Programme proposed for 2009-2011, which reflects the Bank Group's current priorities.

3.2.2 The overall Work Programme proposed for 2009-2011 is presented in Annexe 2, which lists all studies proposed for delivery and indicates the year of expected delivery. To illustrate the fit with the Bank Group's strategic orientation, Table 3 below maps the proposed programme of Sector and Thematic Evaluations against the Bank's strategic priorities. This shows in graphic form that all key priority areas under the Bank's Medium Term Strategic Plan are addressed over the three year period, with the exception of climate change and higher education/vocational training, where the policy has recently been revised. The social sectors (health and education) have reduced priority under the Bank's Medium Term Strategy and no further thematic work is proposed in this area over the next three years. OPEV has in any case devoted considerable attention to health and education in recent years.

3.2.3 While OPEV's proposed programme is therefore well aligned with the Bank Group's strategic priorities, it should be noted that none of the priority areas will be treated in a comprehensive or exhaustive way, given the limited scope of each study and the relatively small size of OPEV's programme of sector and thematic evaluations.

Table 3: OPEV Sector and Thematic Evaluations, 2009-2011: alignment with Bank Group's strategic priorities

Bank Groups's strategic priorities*		OPEV Coverage: Sector & Thematic Evaluations		
		2009	2010	2011
Operational focus on...	- Infrastructure	√	√	√
	- Governance	√	√	√
	- Private Sector	-	√	√
	- Higher Education	-	-	-
	- Agriculture	√	√	-
	- Social sectors (not HE)	-	-	-
Increased emphasis on...	-Regional Integration	√	√	-
	- Fragile States	√★	√★	-
	- MICs	-	√	√
Key crosscutting themes...	- Gender	√	√	-
	- Climate change	-	-	-
	-Knowledge	√†	√†	√†

* As set out in AfDB's Medium Term Strategy

√ planned

- not planned

★ To be undertaken as a suite of Country Assistance Evaluations

†proposed under OPEV programme of reviews of operational processes

3.2.4 As noted, the proposed Work Programme is presented in Annexe 2, detailing the specific themes and topics proposed for study. Delivery will be assessed using the Key Performance Indicators presented in Section 2.4 above. While some items have been rolled forward from the previous Work Programme, there are a number of novel features. The following points are significant.

3.2.5 First, at the project level:

- **PCR Evaluation Notes:** OPEV provides quality assurance of Project Completion Reports (PCRs), which are self-evaluations conducted by operations staff. This is an important activity as the PCR Evaluation Notes provide valuable, independently validated information on portfolio performance and much of the basic information for analysis in high level evaluations. Under ADF XI, the backlog of uncompleted PCRs will be tackled by the operations complexes, and OPEV will be required to provide prompt quality assurance of completed PCRs. The number of PCR Evaluation Notes will therefore increase in 2009 and 2010 as the backlog is cleared. OPEV's target is to prepare Evaluation Notes on all completed PCRs.

- **PPERs** - OPEV prepares Project Performance Evaluation Reports (PPERs) to provide an independent assessment of project performance. These are usually undertaken within two or three years of project completion and provide a more analytical review than the PCR, giving attention where possible to sustainability and impact. In selecting projects for evaluation, priority is given those likely to provide significant lessons of experience: for example those with problematic issues, large and complex projects, innovative projects or those with unusual features, as well as 'clusters' of projects selected for sector or thematic review. Given that the investment project remains the Bank's main lending instrument, PPERs play a significant accountability role and OPEV aims to provide around 20% coverage of completed projects.

- **XSR Evaluation Notes:** XSRs are Expanded Supervision Reviews of private sector operations. They are conducted by operations staff to assess the performance of the operations after Bank assistance has been delivered. In this sense they are analogous to PCRs, and will in due course provide a valuable means of monitoring the performance of the portfolio of private sector operations. OPEV's role is to provide timely independent quality assurance of these reviews. This is a new procedure and the introduction of a number of XSR Evaluation Notes to be completed each year is an innovation in terms of OPEV's Work Programme.

- **Impact evaluation:** A further project level innovation is the introduction of a stream of project impact evaluations. Rigorous project impact evaluations are more intensive than the Project Performance Evaluation Reports conventionally undertaken by OPEV. Impact evaluations can be complex, expensive and technically demanding, and can only be undertaken where there is a robust information base. But there is a growing demand within the Bank and beyond for reliable results on impact, and impact studies can provide rich and deep insight into the factors making for effective development and. The workplan proposes to establish a small stream of project-level impact evaluations, beginning with an impact evaluation of a project in the transport sector.

3.2.6 Second, regarding high level evaluations:

- **Sector and Thematic Evaluations** are high level evaluations intended to throw light on important areas of policies and operations. Over the next three years, delivery of thematic studies addressing 11 topics is proposed. As noted above, these broadly span the Bank's strategic priority areas.

- **Country Assistance Evaluations** will be conducted in annual sets of 4 to 6 studies covering ADF countries, fragile states, and middle income countries over the next three years.

- **Reviews of Operational Processes and Procedures** address the Bank Group's internal business processes, which of course have a direct bearing on operational effectiveness. Under ADF XI, OPEV is mandated to prepare evaluations of the Bank Group's progress with decentralization and reviews of the Fragile States Facility and regional operations.

- **Corporate Evaluations** are general evaluations of the performance of the Bank Group or units of the Bank. It is proposed that OPEV undertake a general assessment of activities funded by the ADF over the past 10 years as a contribution to the ADF replenishment discussions in 2010. (This follows a similar evaluation undertaken in 2004¹⁰).

3.2.7 **Knowledge Management and Dissemination** is a key activity: evaluation results are only of value if they are widely shared and put to effective use. The Work Programme includes a range of activities to promote such awareness, and to pursue harmonisation of evaluation methods.

3.2.8 **Evaluation Capacity Development and Training** are also important for building evaluation skills and knowledge in RMCs. OPEV proposes to use a small part of its budget to support attendance of African evaluators at suitable training events and professional meetings.

3.2.9 Finally, it should be noted that some flexibility will be required. The Board or Management may identify topics requiring urgent study. At short notice, development partners may request OPEV's participation in potentially important joint studies. OPEV undertakes to return to CODE to discuss any significant changes to the work programme which may arise for consideration during the year.

¹⁰ *Stepping up to the Future: An Independent Evaluation of African Development Fund VII, VIII and IX*. OPEV, July 2004

3.3 Deliverables for 2009

Deliverables proposed for 2009 are summarised in Table 4 below.

Table 4: Summary of Outputs Proposed for 2009	
1. Project/Programme Reviews & Evaluations	
• Studies/notes	• 60 PCR Evaluation Notes
	• 12 PPERs
	• 4 XSR Evaluation Notes (Reviews of Expanded Supervision Reports of Private Sector Operations) □□□
• Approach paper	• Project impact evaluation: Transport
2. Sector & Thematic Evaluations	
• Studies	• Policy based lending
	• Gender Equality
	• Water for agriculture (irrigation, drainage etc)
	• Financing Sub-regional Development Banks Evaluation
• Approach papers	• Regional/multicountry operations
3. Country Assistance Evaluations	
• Studies	• Country Assistance Evaluations: Mozambique, Gabon, Cape Verde
• Approach papers	• Country assistance evaluations: ADF countries (4-6 countries)
	• Country Assistance Evaluations: Fragile States(4-6 countries)
4. Review of Operational Processes and Procedures	
• Studies	• Bank Group Decentralisation (preliminary review)
• Approach papers	• Fragile States Facility
	• Procurement Reforms
	• Quality of Economic and Sector Work
5. Corporate Evaluations	
• Studies	• Peer review on Operations Evaluation
• Approach papers	• Evaluation of ADF X & XI
6. Knowledge Management & Dissemination	
• Activities	• Dissemination of Evaluation Results (workshops, publications, newsletter)
	• Maintain OPEV Help Desk, intranet & internet pages
	• Contribute to OpsCom, ad hoc working groups, etc
	• Internal Reviews
	• Update SAP database with PCR & PPER results
	• Update database of lessons learnt from PCRs and independent evaluation reports
	• ECG GPS/Harmonization
	• Participation in international evaluation activities
7. Evaluation Capacity Development & Training	
• Activities	• Evaluation Capacity Development Workshops
	• Assistance to African evaluators for training and participation in professional meetings

4 HUMAN RESOURCES REQUIREMENTS

4.1 Staff Resources: Restructuring OPEV and Requirements for 2009-2011

4.1.1 OPEV currently has 14 professional (PL) staff positions at its disposal. As at 31 August 2008, four of these positions were vacant¹¹, although recruitment action is in hand. A dedicated Resource Coordinator has been appointed and this has considerably expedited management in the department, while freeing time for other professional staff to focus on evaluation activities.

4.1.2 OPEV currently has 4 general support (GS) staff positions and two short term staff (STS). However, 4 STS staff left in the course of the year, and the Department currently lacks sufficient research assistants and support staff.

4.1.3 OPEV makes extensive use of consultants in undertaking evaluation studies. Table 5 presents the proposed mix of staff and consultant time based on the current staffing allocation.

4.1.4 **Fungibility.** The estimate assumes that current staffing gaps will be completely filled. In 2008, OPEV was to some extent able to fill staffing gaps through the use of consultants. Given the increased level of budget fungibility in 2009, OPEV will be able to reallocate staff salary savings to the consulting budget if full staffing is not achieved throughout 2009. This will enable the department to supplement full time staff with additional consultants in the event that some professional positions are not filled at all times.

Table 5: Proposed Use of Professional Staff and Consultant Resources

Business Lines	C-Days	PL Days
Project and Programme evaluation reports	1150	539
High Level Evaluations	1744	1364
Knowledge Management & disseminations	30	534
Evaluation Capacity development & training	7	518
TOTAL for Regular BSL	2,931	2,955*

* Undertaken by 14 professional staff

4.1.5 **Restructuring OPEV.** OPEV's current staffing structure and composition is suboptimal. OPEV's flat structure requires all professional staff report to the Director, creating a heavy staff management load. This not only impairs effective staff management but also reduces the capacity for strategic direction.

4.1.6 Furthermore, OPEV has a widening range of responsibilities. In line with CODE's wishes, OPEV has increasingly focused on 'high level evaluations' (i.e. independent evaluations at corporate, country, sector or thematic level). At the same time, OPEV remains responsible for conducting independent evaluations at project level, as well as for review of PCRs. Performance could be enhanced by allocating specific management responsibilities and dedicated teams to each area of activity.

¹¹ Two PL staff resigned earlier in the year, and recruitment for a PL4 position failed to identify a suitable candidate.

4.1.7 Finally, while most OPEV professional posts are graded at PL4, the growing complexity of the evaluation challenges facing the Bank requires leadership from evaluation staff of greater experience and seniority. Creating several senior positions will help to increase the quality and speed the pace of OPEV's work. Such posts will also help to attract and retain capable staff by creating an attractive 'career path' in evaluation at the Bank. Reducing staff turnover will foster a stronger 'institutional memory' and will help to ensure more consistent management of sometimes lengthy evaluation processes, further improving the quality of OPEV's work.

4.1.8 Accordingly, **CODE's endorsement is sought for the proposal to create two Divisions within OPEV**, with a view to seeking the subsequent approval of the full Board¹². The creation of two Divisions will provide more focused and consistent management of the two main workstreams described above. It will also allow the Director and his senior team more time to ensure effective engagement in strategic issues across the organization, as well as promoting dissemination of evaluation results more effectively. ('Knowledge management and dissemination' is OPEV's third major workstream). Enhanced capacity would also allow increased engagement with the Bank's Field Offices, as well as recipients and development partners in RMCs. An outline of the responsibilities of the two Divisions and an enlarged Director's office is presented at Annex 4.

4.1.9 In establishing two Divisions within OPEV, there will be a need to create several more senior posts and support staff positions, and to reallocate responsibilities across the Department. CODE's endorsement of the following changes is sought:

- firstly, for the establishment of three posts at PL2 level in 2009 (two new Division Manager (PL2) positions and upgrading of an existing post to a Lead Expert (PL2) position in the Director's front office).
- Secondly, five new GS positions will be required to support professional staff (two secretarial positions and three Research Assistants).

4.1.10 Demands on the reconfigured OPEV are expected to grow steadily through 2010 and 2011, as discussed above. Accordingly, CODE's endorsement is also sought for further modest increases in staffing:

- in 2010, a further 2 PL positions and 2 GS posts will be required;
- in 2011, one additional PL staff and a further 2 GS posts will be required.

4.1.11 These changes are summarized in Table 7 below. The additional costs to the staff budget are estimated at UA 332,000. Additional costs to the OPEV Workload Budget for staff missions could be absorbed within the modest increase proposed for the Workload Budget.

4.1.12 In restructuring and allocating a slightly larger and more senior team to more focused streams of work, OPEV would closely follow the example set by OAGL, which was restructured in 2007 to address emerging challenges and responsibilities.

¹² CODE approved a similar proposal in 2004 but it was not implemented at the time (ADF/BD/CODE/2004/03/Approval: 9 December 2004).

Table 6: Current and proposed OPEV staffing (2009-2011)
(Staffing increase on previous year shown in brackets)

	2008	2009	2010	2011
EL	1	1	1	1
PL2	-	3	3	3
PL3	2	2	3	3
PL4	10	9	9	9
PL5	1	1	2	2
PL6	1	1	1	2
PL total	14	16 (2)	18 (2)	19 (1)
GS8	-	2	2	3
GS7	3	4	6	7
GS6	1	1	1	1
GS5	-	2	2	2
GS total	4	9 (5)	11(2)	13 (2)

5 BUDGET RESOURCE UTILISATION AND REQUIREMENTS

5.1 Budget Components

The administrative budget of all departments in the Bank, including OPEV, consists of three main components, namely Staff Cost, Overheads and Workload. OPEV has control only over the workload cost in its budget. Only OPEV's Workload Budget, which is directly linked to the Work Programme, is submitted to CODE for approval. Provision for OPEV's staff cost and overheads are made by the budget department according to separate procedures. However, in 2008 OPEV has access to staff salary savings in terms of the Bank's fungibility policy. OPEV's **Workload Budget** consists of Staff Mission costs and Consultant costs.

5.2 Utilisation of the 2007 Workload Budget

OPEV's track record of Workload Budget utilisation is a good indication of its ability to spend its future allocations. By 30 June 2008 OPEV had assigned almost all (99.8%) of its 2007 consulting budget allocation of UA 1,290,551. In addition, it had assigned UA 128,215 in Trust Funds. However, OPEV could only use 50% of its staff mission budget in the period. This was partly due to staffing levels during 2007 being consistently lower than planned, owing to staff retirements and the management transition (see para. 4.1.1 above), which constrained OPEV's ability to sustain high output levels. Despite this, OPEV demonstrated its commitment to utilising its budget allocation productively,

5.3 Projected Spending of the 2008 Workload Budget

During the first part of 2008 the majority of consulting expenditure was made from funds that were committed from the 2007 Workload Budget. As of mid August 2008 OPEV has assigned 50% of the 2008 Budget. As funds committed by 31 December 2008 can be used until 30 June 2009, OPEV is confident that it will be able to utilise the full 2008 consulting budget allocation, as it has done with the 2007 budget.

5.4 Budget Resource Requirements for 2009 through 2011

5.4.1 OPEV has sought to ensure that its Workload Budget proposals are transparent and realistic. Workload Budget estimates follow careful costing of planned activities (based *pro rata* on the number and type of deliverables). This includes use of a realistic unit cost for high level consultants, where fees generally exceed the Bank's usual ceiling.

5.4.2 **The total Workload Budget request for 2009 is UA 1, 755,876**, which is 6.6% greater than comparable allocation in 2008 of UA 1.643 million. Increases of a similar order are proposed for 2010 and 2011, reflecting the need to increase evaluation output to keep pace with the expansion of the Bank Group's overall portfolio.

5.4.3 OPEV's Workload Budget cost estimates for the period 2009-2011 are shown in Table 7 below. More detailed costings appear in Annexe 3. The figures indicate the estimated costs of staff missions and consultants (including consultants' missions).

Table 7: Workload Budget 2009-2011*

	2009	2010	2011
Staff Mission	197,665	212,065	227,365
Consultants	1,558,211	1,674,806	1,799,746
TOTAL	1,755,876	1,886,871	2,027,111

5.4.4 Table 8 outlines allocations by business line or workstream over the next three years, indicating modest increases each year under each heading, with well over half of the funding going to high level evaluations.

Table 8: Workload Budget by Business Lines 2009-2011

Business Lines	2009	2010	2011
Project and Programme evaluation reports	634,559.46	681,732	732,835
High Level Evaluations	1,005,040	1,080,489	1,160,853
Knowledge Management & disseminations	100,239	107,376	115,429
Evaluation Capacity development & training	16,037	17,272	17,992
TOTAL for Regular BSL	1,755,876	1,886,871	2,027,111

5.4.5 For 2009, Table 9 below shows the budget broken down by business line and cost allocations, providing an indication of the allocation of the budget by activity area.

Table 9: 2009 Workload Budget by business lines

Business Lines	2009 Budget (UA)		
	Mission Costs	Consultants Costs	Total
Project and Programme evaluation reports	43,116.23	591,443.23	634,559.46
High Level Evaluations	70,116.23	934,923.73	1,005,039.96
Knowledge Management & disseminations	73,716.23	26,523.03	100,239.26
Evaluation Capacity development & training	10,716.23	5,321.23	16,037.46
TOTAL for Regular BSL	197,664.92	1,558,211.22	1,755,876.13

5.4.6 These estimates do not include lines for staff training or for capital equipment, which are centrally managed. Although the Workload Budget is ring-fenced, OPEV remains dependent on Management decisions regarding other elements of the overall budget. While it is pragmatic to maintain this arrangement in 2009, CODE should consider whether in future it would be necessary to decentralize these budget lines to OPEV. OPEV's dependence for central funding for key budget items exposes the Department to the perception that OPEV's

independence from Management (and hence its credibility) is less comprehensive than it could be.

5.4.7 OPEV's total budget for 2009 is estimated at UA 3.98 million, including staff costs of UA 1.9 million, overheads of UA 0.3213 and workload of UA 1.76 million¹⁴. A comparison of the 2008 budget to the Bank's overall budget shows that OPEV's total budget (staff, overheads and workload) amounts to 1.5% of the Bank's overall administrative budget. This is a lower percentage than the corresponding figure for the previous year, which was 1.7%.

5.4.8 Annex 5 presents a comparison with other MDBs. This shows the evaluation budget in each case compared (a) with the overall administrative budget and (b) with the budget for the overall loan programme. While the budget for independent evaluation at the World Bank is only 1.1% of the administrative budget, in IFAD the corresponding figure is as high as 5.4%. These 'outlier' numbers can be explained in part by the large size of the World Bank (making for economies of scale) and the relatively small size of IFAD. The Asian Development Bank may be a more relevant comparator, showing a ratio of just over 2 %. However, these figures need to be interpreted with care: the elements included under the various budget differs between organisations; and each organisation has a different mandate, structure and composition. Accordingly, direct comparisons need to be viewed with caution.

6 RECOMMENDATIONS

6.1.1 In considering OPEV's budget proposals, CODE is reminded of the following:

- (a) In view of OPEV's independent status, OPEV's 2009 budget will not be subject to Management *arbitration* as are the budget requests made by other complexes. The Workload Budget amount approved by CODE will be included in the Bank's overall budget for consideration by the Board.
- (b) OPEV's Workload Budget is *ringfenced*. This means that neither Management nor OPEV would be able to transfer funds to or from other complexes in the Bank without Board approval.
- (c) There is broad *fungibility* in the budget. This means that OPEV can transfer funds between allocations for various studies (as in the past), as well as between mission costs and consultant costs.

6.1.2 **CODE is invited to consider the following recommendations:**

- (a) To approve the updated strategic framework for OPEV, including the mission, goals, objectives guiding principles, and key performance indicators (Sections 2.2 and 2.4).
- (b) To approve the 2009-2011 Three Year Rolling Work Programme (Annex 2)

¹³ In terms of the Bank's budget procedure OPEV is not responsible for estimating the amounts for staff cost and overheads.

¹⁴ Estimates for staff costs and overheads provided by Budget Department, and are subject to revision by the Board.

- (c) To endorse proposals for establishing two Divisions within OPEV, and provide a view for consideration by the full Board.
- (d) To endorse allocation of the sum of **UA 1,755,876** for the 2009 Workload Budget, including staff mission and consultant costs, and provide a view for consideration by the full Board (see Table 7 above).
- (e) Noting that OPEV depends upon certain centrally managed budgets for training and equipment, to consider whether these budget lines should be decentralised to OPEV in future years, to minimise perceived risks to OPEV's independence, integrity and credibility. It should be noted that budgets for training and equipment are subject to arbitration whereas OPEV's Workload Budget is not.

STATUS OF 2008 EVALUATION OUTPUTS

Progress with the 2008 Work Programme Outputs*

<i>Study</i>	<i>Status as at 31/08/2008</i>	<i>Expected Status at end 2008</i>
Project/Programme Reviews & Evaluations		
○ 50 PCR Evaluation Notes	21 PCRs Notes completed 26 in progress	✓
○ 12 PPERs	8 PPERs Completed 4 in progress	✓
○ 4 XSR Evaluation Notes (Reviews of Expanded Supervision Reports of Private Sector Operations)	→ (3XSRs completed by OPSD)	75% completed (i.e. 3 XSR Notes)
○ Impact evaluation (Transport & Poverty/Gender: Phase 1: Evaluability Report)	Suspended (Task Manager resigned)	Suspended
Sector & Thematic Evaluations		
○ Review of Bank Assistance to the Education Sector	→	✓
○ Agriculture & Rural Development Evaluation (Joint Evaluation)	→	→ (90% complete) Scheduled for March 2009
○ Supervision process evaluation	→	✓
○ Financing Sub-regional Development Banks Evaluation	→	2009
○ Review of Private Sector Development Strategy	Postponed	2009
○ International ECG Theme ○ (Environment & Infrastructure Nexus)	✓	✓
Country Assistance Evaluations (CAEs)		
○ Uganda	→	✓
○ Cameroon	→	✓
○ Mozambique	→	2009
○ Gabon	→	2009
Country Assistance Evaluation Notes		
NB: CAENs cancelled. To be undertaken as light touch CAEs in Fragile States study in 2009/10		
○ Cape Verde	→	CAE: 2009
○ Sao Tome & Principe	Cancelled	Fragile States study: 2009/10
○ Sierra Leone	Cancelled	Fragile States study: 2009/10
○ Liberia	Cancelled	Fragile States study: 2009/10

Review of Operational Processes and Procedures		
○ Review of Quality of Economic and Sector Work	Postponed	2010
○ OPEV Evaluation Quality Standards	Postponed	OPEV review: 2009
○ Review of Decentralization Policy of Bank Group	➔	2009
Corporate Evaluations		
○ Report on Development Effectiveness	➔	✓
○ Evaluation of the Nigeria Trust Fund	✓	✓
○ Evaluation of the JAI	✓	✓
○ Report on Operations Evaluation	Postponed	Scheduled for 2009
Unscheduled studies (carried over from previous year)		
○ Ethiopia CAE	➔	✓
○ PCR review synthesis	➔	✓
○ Mozambique sector studies (Transport, Power, Water)	➔	✓

* Outputs approved by CODE for 2008

Key:

✓ = Completed

➔ = In progress

2009 = Rescheduled: 2009 expected year of delivery

OPEV 2009-2011 WORK PROGRAMME: DELIVERY SCHEDULE FOR STUDIES¹⁵

2008 Approved Workplan	2009 Target Output	2010 Target Output	2011 Target Outputs
1. Project/Programme Reviews & Evaluations			
<ul style="list-style-type: none"> • 50 PCR Evaluation Notes • 12 PPERs • 4 XSR Evaluation Notes (Reviews of Expanded Supervision Reports of Private Sector Operations) • Impact evaluation (Transport & Poverty/Gender: Phase 1: Evaluability Report) 	<p>Studies/notes</p> <ul style="list-style-type: none"> • 70 PCR Evaluation Notes* • 12 PPERs • 4 XSR Evaluation Notes (Reviews of Expanded Supervision Reports of Private Sector Operations)[†] <p>Approach paper</p> <ul style="list-style-type: none"> • <i>Project impact evaluation: Transport</i> 	<p>Studies/notes</p> <ul style="list-style-type: none"> • 70 PCR Evaluation Notes* • 15 PPERs • 4 XSR Evaluation Notes (Reviews of Expanded Supervision Reports of Private Sector Operations)[†] • Project Impact Evaluation: Transport: Studies <p>Approach paper</p> <ul style="list-style-type: none"> • <i>Project impact evaluation: Water Supply and Sanitation</i> 	<p>Studies/notes</p> <ul style="list-style-type: none"> • 60 PCR Evaluation Notes* • 20 PPERs • 6 XSR Evaluation Notes (Reviews of Expanded Supervision Reports of Private Sector Operations)[†] • Project Impact Evaluation: Water supply and sanitation <p>Approach paper</p> <ul style="list-style-type: none"> • <i>Project impact evaluation: Power</i>

¹⁵ The table reflects the year in which output is to be delivered, not the year in which it will be started. For the purpose of continuity, commitments for 2008 are also listed.

* Number depends on number of PCRs produced by operations complexes. Higher numbers of PCRs are expected in 2009 and 2010 as operations complexes clear the current PCR backlog.

[†] Number depends on number of XSRs produced by operations complexes.

2008 Approved Workplan	2009 Target Output	2010 Target Output	2011 Target Outputs
2. Sector & Thematic Evaluations			
<ul style="list-style-type: none"> • Bank Group’s Assistance in Major Sectors (3 Countries) • Agriculture & Rural Development (Joint Evaluation) • Financing Sub-regional Development Banks • Private Sector Development Strategy • International ECG Theme (Environment & Infrastructure Nexus) 	<p>Studies</p> <ul style="list-style-type: none"> • Policy based lending • Gender Equality • Water for agriculture (irrigation, drainage etc) • Financing Sub-regional Development Banks Evaluation <p>Approach papers</p> <ul style="list-style-type: none"> • <i>Regional /Multi country operations</i> 	<p>Studies</p> <ul style="list-style-type: none"> • Policy based lending: synthesis • Gender Equality: synthesis • Water for agriculture (irrigation, drainage etc): synthesis • Regional /multicountry operations • Fragile State Facility <p>Approach papers</p> <ul style="list-style-type: none"> • <i>Transport</i> • <i>Power Sector Operations</i> • <i>Additionality in Private Sector Strategy and Operations</i> • <i>SMEs/Microfinance</i> • <i>Anti corruption operations</i> 	<p>Studies</p> <ul style="list-style-type: none"> • Transport • Power Sector Operations • Additionality in Private Sector Strategy and Operations • SMEs/Microfinance • Anti corruption operations <p>Approach papers</p> <ul style="list-style-type: none"> • <i>Co-financing of projects/programmes</i> • <i>Public sector reform</i>
3. Country Assistance Evaluations			
<p>Country Assistance Evaluations:</p> <ul style="list-style-type: none"> • Uganda, Cameroon, Mozambique, Gabon <p>Country Assistance Evaluation Notes:</p> <ul style="list-style-type: none"> • Cape Verde, Sao Tome & Principe, Sierra Leone, Liberia 	<p>Studies</p> <ul style="list-style-type: none"> • Country Assistance Evaluations: <ul style="list-style-type: none"> ○ Mozambique, Gabon, Cape Verde 	<p>Studies</p> <ul style="list-style-type: none"> • Country assistance evaluations: ADF countries (4-6 countries + synthesis) • Country Assistance Evaluations: Fragile States (4-6 countries+ synthesis) 	<p>Studies</p> <ul style="list-style-type: none"> • Country assistance evaluations: ADF countries (4-6 countries + synthesis) • Country Assistance Evaluations: MICs: (4-6 countries + synthesis)

2008 Approved Workplan	2009 Target Output	2010 Target Output	2011 Target Outputs
	<p>Approach papers</p> <ul style="list-style-type: none"> Country assistance evaluations: ADF countries (4-6 countries) Country Assistance Evaluations: Fragile States(4-6 countries) 	<p>Approach papers</p> <ul style="list-style-type: none"> Country assistance evaluations: ADF countries (4-6 countries) Country Assistance Evaluations: MICs: (4-6 countries) 	<p>Approach papers</p> <ul style="list-style-type: none"> Country assistance evaluations: ADF countries (4-6 countries) Country Assistance Evaluations: Fragile States(4-6 countries)
4. Review of Operational Processes and Procedures			
<ul style="list-style-type: none"> Review of Quality of Economic and Sector Work OPEV Evaluation Quality Standards Review of the Implementation of Bank Group Decentralisation Policy 	<p>Studies</p> <ul style="list-style-type: none"> Bank Group Decentralisation (preliminary review) Quality at entry review <p>Approach papers</p> <ul style="list-style-type: none"> Fragile States Facility Procurement Reforms Quality of Economic and Sector Work 	<p>Studies</p> <ul style="list-style-type: none"> Bank Group Decentralisation (main report) Fragile States Facility Procurement Reforms Quality of Economic and Sector Work <p>Approach papers</p> <ul style="list-style-type: none"> Research Action Plan Bank Group Partnership Activities 	<p>Studies</p> <ul style="list-style-type: none"> Research Action Plan Bank Group partnership activities Quality at entry review
5. Corporate Evaluations			
<ul style="list-style-type: none"> Report on Development Effectiveness Evaluation of the Nigeria Trust Fund Evaluation of the JAI Report on Operations Evaluation 	<p>Studies</p> <ul style="list-style-type: none"> Report on Operations Evaluation Peer Review of Operations Evaluation <p>Approach papers</p> <ul style="list-style-type: none"> Evaluation of ADF X & XI 	<p>Studies</p> <ul style="list-style-type: none"> Evaluation of ADF X & XI Report on Operations Evaluation <p>Approach papers</p> <ul style="list-style-type: none"> Bank Group's Compliance with the Paris Declaration 	<p>Studies</p> <ul style="list-style-type: none"> Bank Group's Compliance with the Paris Declaration Report on Operations Evaluation

2008 Approved Workplan	2009 Target Output	2010 Target Output	2011 Target Outputs
6. Knowledge Management & Dissemination			
<ul style="list-style-type: none"> • Publication of Quarterly Evaluation Bulletin (OPEV Sharing) • Enhance & Maintain OPEV Help Desk, intranet & internet access • Participate in IDWG and CSP • Internal Review • Feedback/Knowledge Management Workshops & Publications • ECG GPS/Harmonization • Dissemination of Evaluation Results • Participation in international evaluation activities • Update SAP database with PCR & PPER results; Develop database of lessons learnt from PCRs and independent evaluation reports • Revise Evaluation Feedback & Dissemination Actions for 2009-2011 	<ul style="list-style-type: none"> • Dissemination of Evaluation Results (workshops, publications, newsletter) • Maintain OPEV Help Desk, intranet & internet pages • Contribute to OpsCom, ad hoc working groups, etc • Internal Reviews • Update SAP database with PCR & PPER results • Update database of lessons learnt from PCRs and independent evaluation reports • ECG GPS/Harmonization • Participation in international evaluation activities 	<ul style="list-style-type: none"> • Dissemination of Evaluation Results (workshops, publications, newsletter) • Maintain OPEV Help Desk, intranet & internet access • Contribute to OpsCom, ad hoc working groups, etc • Internal Reviews • Update SAP database with PCR & PPER results • Update database of lessons learnt from PCRs and independent evaluation reports • ECG GPS/Harmonization • Participation in international evaluation activities 	<ul style="list-style-type: none"> • Dissemination of Evaluation Results (workshops, publications, newsletter) • Maintain OPEV Help Desk, intranet & internet access • Contribute to OpsCom, ad hoc working groups, etc • Internal Reviews • Update SAP database with PCR & PPER results • Update database of lessons learnt from PCRs and independent evaluation reports • ECG GPS/Harmonization • Participation in international evaluation activities
7. Evaluation Capacity Development & Training			
<ul style="list-style-type: none"> • Evaluation Capacity Development Workshops 	<ul style="list-style-type: none"> • Evaluation Capacity Development Workshops • Assistance to African evaluators for training and participation in professional meetings 	<ul style="list-style-type: none"> • Evaluation Capacity Development Workshops • Assistance to African evaluators for training and participation in professional meetings 	<ul style="list-style-type: none"> • Evaluation Capacity Development Workshops • Assistance to African evaluators for training and participation in professional meetings

**WORKLOAD BUDGET COST ESTIMATE FOR 2009-2011:
INDICATIVE ALLOCATION BY ACTIVITY**
(all costs in UA '000)

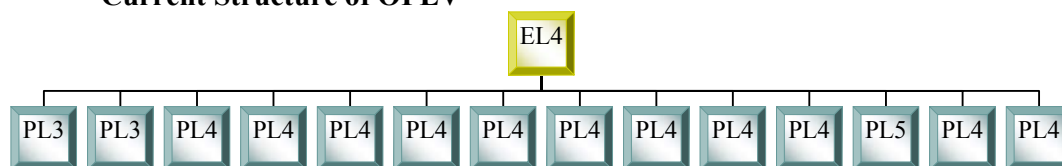
BSL Description & Activity Description	2008	2009	2010	2011
Project and Programme Reviews				
○ <i>PCR Evaluation notes</i>	<i>131</i>	<i>158</i>	<i>158</i>	<i>131</i>
○ <i>PPERS</i>	<i>360</i>	<i>360</i>	<i>360</i>	<i>360</i>
○ <i>XSR</i>	<i>39</i>	<i>39</i>	<i>39</i>	<i>58</i>
○ <i>Impact Evaluation</i>	<i>57</i>	<i>77</i>	<i>125</i>	<i>184</i>
Sub-Total	587	634	682	733
High Level Evaluation				
○ <i>Sector & thematic evaluations</i>	<i>458</i>	<i>498</i>	<i>535</i>	<i>498</i>
○ <i>Country assistance evaluations</i>	<i>314</i>	<i>336</i>	<i>361</i>	<i>464</i>
○ <i>Operations Processes & Procedures Reviews</i>	<i>111</i>	<i>119</i>	<i>128</i>	<i>138</i>
○ <i>Corporate evaluations</i>	<i>48</i>	<i>52</i>	<i>56</i>	<i>60</i>
Sub-Total	931	1,005	1,080	1,160
Knowledge Management & Dissemination	100	96	102	103
Evaluation Capacity Development & Training & management	25	20	22	31
TOTAL	1,643	1,755	1,886	2,027

HUMAN RESOURCE REQUIREMENTS

OPEV: current resource management constraints and the need to restructure

1. OPEV currently has a staff complement of 14 professional (PL) staff positions. However, the Department's current staffing structure and composition is suboptimal. OPEV's flat structure requires all professional staff report to the Director, creating a heavy staff management load. This impairs effective staff management and reduces the capacity for strategic direction. Nor does OPEV have any staff at P1 or P2 level, so that the Director lacks support from experienced senior managers. The result has been significant delays in delivery of outputs, while engagement with the Bank's policy and operations work has been spasmodic, despite growing demand from OPEV for evaluation evidence and independent validation of results.

Current Structure of OPEV



2. Furthermore, OPEV has a widening range of responsibilities. These fall into two broad areas:

- **Project level evaluation.** The ADF XI Results Action Plan includes a focus on actions to strengthen evaluation, including specific roles for OPEV (a) in training staff and clients on new PCR formats; (b) systematic assessment of the quality of PCRs; and (c) calculating the disconnect between OPEV evaluation ratings and operations supervision ratings. OPEV also draws on PCRs and PPERs to produce results synthesis papers. Finally, OPEV is now required to independently validate completion reports on private sector activities. These activities fulfil important accountability requirements, while providing 'building blocks' for higher level evaluations.
- **High level evaluations** (i.e. independent evaluations at corporate, country, sector or thematic level). OPEV has devoted increasing effort and resources to these studies, in line with CODE's wishes. Work in these areas can be challenging and require a higher level of policy competence than routine project level evaluations. There is also growing demand for technically and methodologically demanding impact evaluations.

3. These streams of work are complementary, but require different kinds of professional skills and input. Each requires focused management to ensure efficient delivery of high quality outputs. Performance could be enhanced by allocating specific management responsibilities and dedicated teams to each area of activity.

4. The growing complexity of the evaluation challenges facing the Bank requires leadership from evaluation staff with seniority and considerable experience of policy and operations. Creating several senior positions will help to increase the quality and speed the pace of OPEV's work. Such posts will also help to attract and retain capable staff by creating an attractive 'career path' in evaluation at the Bank. Reducing staff turnover will foster a

stronger ‘institutional memory’ and will help to ensure more consistent management of sometimes lengthy evaluation processes, further improving the quality of OPEV’s work.

Restructuring OPEV: how this will address constraints and improve quality

5. The creation of two Divisions will ensure stronger management, while making more time available for strategic engagement on key issues around policy and corporate performance. This will increase OPEV’s productivity and help to assure increased product quality, adding to the credibility, utility and effectiveness of evaluation outputs. Key benefits following restructuring of OPEV should include:

- stronger and more effective engagement in strategic issues across the organization, particularly on the part of the Director and his senior team
- more focused and consistent management of OPEV’s main workstreams, helping to ensure timely and efficient delivery of OPEV’s work programme
- stronger quality control and quality enhancement of evaluation products
- consistent and sustained input to those components of the Bank’s ADF XI results action plan for which OPEV carries responsibility
- stronger management of evaluation knowledge products, more comprehensive, reliable and robust evaluation databases and more effective dissemination of evaluation results
- increased capacity to undertake evaluation work in important emerging areas including private sector assistance and impact evaluation
- increased capacity to engage with the Bank’s Field Offices and to involve RMC partners in evaluation activities
- reputational benefits for the Bank, as OPEV plays a stronger role in joint evaluation and harmonisation of evaluation methods

Details of proposed restructuring

6. It is proposed that responsibilities would be allocated across the Department in the following way:

Director’s office

- Evaluation policy and procedures
- Strategic planning, management and reporting
- Oversight of delivery and quality assurance
- Budget planning and management
- Human resource planning and management
- Strategic communications and coordination of dissemination and communication
- Leading cross-complex engagement and collaboration
- Leading external engagement, collaboration, and harmonization
- Leading evaluation knowledge management
- Leading evaluation capacity building

Division 1: Project and programme evaluation

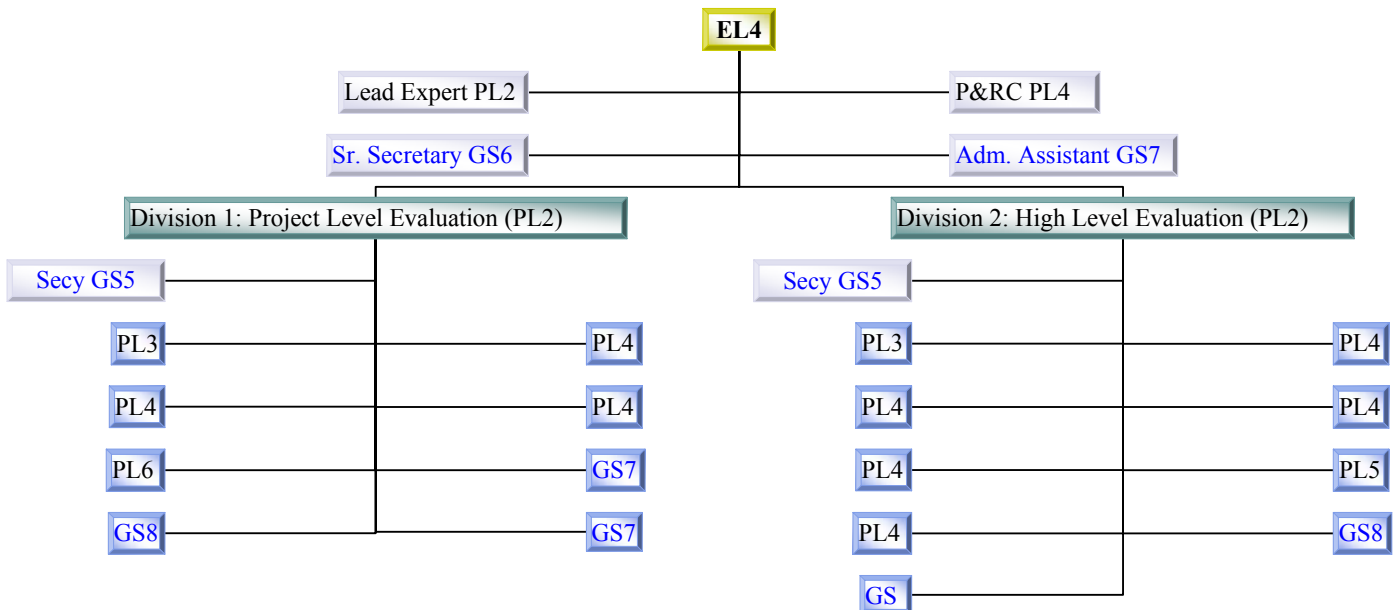
- PCR Evaluations Notes and PCR analysis
- XSR Evaluation Notes and analysis
- Project performance evaluations
- Sector performance reviews
- Reviews of operational processes and procedures
- Systems and methods
- Evaluation knowledge management and database management
- Dissemination and communication
- OPEV help desk

Division 2: High level evaluation

- Sector and thematic evaluations
- Country assistance evaluations
- Corporate evaluations
- Systems and methods
- Dissemination and communication

7. To address these responsibilities, the following structure is proposed:

OPEV Proposed Structure (2009)



Staffing

8. In establishing two Divisions within OPEV, there will be a need to create several more senior posts and support staff positions:

- o three posts at PL2 level in 2009: two new Division Manager (PL2) positions and upgrading of an existing post to a Lead Expert (PL2) position in the Director's front office.
- o five new GS positions to support professional staff (two secretarial positions and three Research Assistants).

9. Demands on the reconfigured OPEV are expected to grow steadily through 2010 and 2011. Further modest increases in staffing will be required:

- o in 2010, a further 2 PL positions and 2 GS posts;
- o in 2011, one additional PL6 staff and a further 2 GS posts will be required.

10. These proposals are summarized in the table below. The additional costs to the staff budget are estimated at UA 332,000.

Current and proposed OPEV staffing (2009-2011)
(Staffing increase on previous year shown in brackets)

	2008	2009	2010	2011
EL	1	1	1	1
PL2	-	3	3	3
PL3	2	2	3	3
PL4	10	9	9	9
PL5	1	1	2	2
PL6	1	1	1	2
PL total	14	16 (2)	18 (2)	19 (1)
GS8	-	2	2	3
GS7	3	4	6	7
GS6	1	1	1	1
GS5	-	2	2	2
GS total	4	9 (5)	11(2)	13 (2)

11. In restructuring and allocating a slightly larger and more senior team to more focused streams of work, OPEV would closely follow the example set by OAGL, which was restructured in 2007 to address emerging challenges and responsibilities.

Annex 5 Budget Comparison with other MDBs

Name of Organisation	Lending Programme (including TAGs)	Total Admin Budget of the Organisation	Admin Budget Evaluation Office	Ratio Evaluation Budget / TOTAL Admin Budg	Ratio Evaluation Budget / Loan Programme	Sources and Remarks
	US\$ m	US\$ m	US\$ m	%	%	
IFAD 2007	589.0	104.7	5.69	5.43	0.97	EB Dec 2006
IADB 2007	9,000.0	478.8	6.87	1.43	0.08	Email OVE
(IBRD + IDA) fy 2006 - 2007	24,400.0	2,119.0	24.70	1.17	0.10	Source: Email P.Grasso Core Budget
AsDB 2007	7,934.0	332.9	6.83	2.05	0.09	(Source: Email from OED)
	7,934.0	332.9	8.23	2.47	0.10	Core Budget + Regional technical grants for evaluation studies (Source: Email from OED)
AfDB 2007 USD	3,617.5	296.4	4.97	1.68	0.14	2007 Work Programme & Budget
IsDB 2007	4,170.0	87.6	1.63	1.87	0.04	Email from OED
	4000	400	6.00	1.50	0.15	Evaluation Office only; (Source: Phone call N. Alam)
UNDP 2007	4000	400	11.00	2.75	0.28	Includes funds for evaluation activities to country offices; (Source: Phone call N. Alam)