

**AFRICAN DEVELOPMENT BANK GROUP**



**REPUBLIC OF EQUATORIAL GUINEA**

**INSTITUTIONAL SUPPORT TO THE MINISTRY OF PLANNING  
AND ECONOMIC DEVELOPMENT (AMPDE)**

**PROJECT PERFORMANCE AUDIT REPORT (PPAR)**

**OPERATIONS EVALUATION DEPARTMENT (OPEV)  
PROJECT AND PROGRAMME EVALUATION DIVISION (OPEV.1)**

**SEPTEMBER 2010**

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**Weights and Measures**  
Metric system

**Currency Equivalents**

<b>At Appraisal 1993</b>	<b>At PCR Preparation (February 2006)</b>	<b>At Performance Review November 2009</b>
UA 1 = FUA 1.08 UA 1 = UM 324.473 UA 1 = USD 1.29779	UA 1 = SDR 1 UA 1 = CFAF 782.40583 UA 1 = USD 1.44 UA 1 = EUR 1.19708	UA 1 = SDR 1 UA 1 = CFAF 704.66181 UA 1 = USD 1.58989 UA 1 = EUR 1.07425

**Fiscal Year**

1 January - 31 December

**ACRONYMS AND ABBREVIATIONS**

ADB	:	African Development Bank
ADF	:	African Development Fund
ADI	:	African Development Institute
AMPDE	:	Support to the Ministry of Planning and Economic Development
CCSO	:	Bank Operations Coordination and Monitoring Unit
CBP	:	Capacity-Building Project
CDEP	:	Project Implementation and Monitoring Steering Committee
CSP	:	Country Strategy Paper
DGPPI	:	General Directorate of Planning and Investment Programming
DGSCN	:	General Directorate of Statistics and National Accounts
DGSCP	:	General Directorate of Programming, International Cooperation and Project Monitoring
ECCAS	:	Economic Community of Central African States
EG	:	Equatorial Guinea
EITI	:	Extractive Industries Transparency Initiative
ESAF	:	Enhanced Structural Adjustment Facility
EPCP	:	Economic Prospects and Country Programming
EPFP	:	Economic Policy Framework Paper
FUA	:	Fund Unit of Account (in 1992, FUA 1 was equivalent to UA 0.92)
GDP	:	Gross Domestic Product
HDI	:	Human Development Index
IMF	:	International Monetary Fund
ISTEA	:	Institute of Statistics and Applied Economic Techniques
MDG	:	Millennium Development Goal
MIC	:	Middle-Income Country
MINECO	:	Ministry of Economy
MINFIB	:	Ministry of Finance and Budget
MPCI	:	Ministry of Planning and International Cooperation
MPDE	:	Ministry of Planning and Economic Development
PAGFP	:	Public Finance Management Support Project

PIP	:	Public Investment Programme
PIU	:	Project Implementation Unit
PME	:	Small and Medium size Enterprise
PNDES	:	National Economic and Social Development Plan
REG	:	Republic of Equatorial Guinea
ROSC	:	Report on the Observance of Standards and Codes (IMF)
SDF	:	Social Development Fund
SME	:	Small- and Medium-Size Enterprises
SNDS	:	National Statistics Development Strategy
UA	:	Unit of Account
UNDP	:	United Nations Development Programme

**BASELINE DATA: AMPDE PROJECT /Equatorial Guinea**

**Preliminary Data**

Country	:	Equatorial Guinea
Project	:	Support to the Ministry of Planning and Economic Development (AMPDE)
Project Code	:	P-GQ-K00-001
Grant Number	:	2100155000152
Donee	:	Government of the Republic of Equatorial Guinea
Guarantor	:	
Beneficiaries	:	Ministry of Planning and Economic Development (MPDE, formerly MPCCI)
Executing Agency	:	Project Implementation Monitoring Steering Committee (CDEP)/MPDE

**A- Grant Data**

	<b>Expected</b>	<b>Actual</b>
Grant amount (UA)	921052.00	807403.72
Grant approval date		15/12/1992
Grant signature date		20/01/1993
Effectiveness date		29/01/1993
Completion date	09/1997	September 2006
Project reformulation		April 1999 and Oct. 2002

**B – Project/Programme Data**

Financing Plan

<b>Expected (UA million)</b>					<b>Actual (UA million)</b>			
<b>Source</b>	For. Exch.	L.C.	Total	%	For. Exch.	L.C.	Total	%
<b>TAF/ADB</b>			0.921	91			0.807	97
<b>Government</b>			0.091	9			0.023	3
<b>Total</b>			1.012	100			0.830	100

	<b>Expected</b>	<b>Actual</b>
Date of first disbursement	04/1993	27/07/1993
Date of last disbursement	31/03/1998	10/01/2006

### C – Implementation Performance Indicators

1. Cost overrun/under-estimate (including TAF/ADB corresponding to the balance of grant resources at completion)	(- UA 113,648)	(-12.3 %)
2. Slippage/advance compared to timetable at project appraisal - Slippage in effectiveness 1 month - Slippage in first disbursement: - Slippage in completion date:	No 3 months 9 years	
3. Number of extensions of final disbursement deadline	5	12/1999;12/2000;12/2004; 6/2005; 12/2005
4. Project implementation status	Completed in September 2006	

### D-Missions

Type of Mission	Dates	No. of persons	Composition		Person / day
			Economists	Consultants	
Identification	March 1992				
Preparation	July 1992				
Appraisal	August 1992				
Supervision	17 missions, including: 09/07/1997; 19/05/2000; 03/12/2000; 25/05/2001; 09/12/2001; 26/10/2002; 25/06/2003; 14/07/2004; 28/11/2004; 02/07/2005; 24/07/2005; 17/10/2005		Country Economist	1	34
Supervision (mid-term)	2		Country Economist		4
Accounts audit (external)	April 2005			International consultancy firm	
Completion	February 2006 Government Sept.2005	2	Country Economist	1 Financial Analyst	
Performance audit	6-14 November 2009	2	Country Economist	1 Macro-Economist	

**Annual Disbursements** (Equivalent in UA thousand)

<b>EQUATORIAL GUINEA AMPDE Project Disbursements</b>										
<b>Years</b>	<b>1993</b>	<b>1994</b>	<b>1995</b>	<b>1996</b>	<b>1997</b>	<b>2000</b>	<b>2001</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
Total expected disbursements	123.2	292.7	413	215.1	50.3					
Actual grant disbursements	16.1	66.5	20.4		72.5	150.5	176.1	80.4	184.8	40.2
Grant balance	905	838.5	818.1		745.7	595.2	419	338.7	153.9	113.7
Total grant disbursements: UA 807.4 thousand; Grant balance: = UA 113.7 thousand										

## RATINGS SUMMARY

No.	Indicators	PCR	PPAR	PPAR Remarks
1	Relevance and quality at entry	1	2	AMPDE derives its relevance mainly from its support to Government's 1992-1995 Policy Framework Paper backed by IMF's 1993-1996 ESAF and the Bank's 1993-94 SAL. Although it is in line with the Bank's capacity-building policy, its quality at entry was unsatisfactory due to lack of precision over the expected outputs, the insufficient resources allocated to attain them, the absence of a project logical framework and inadequate risk analysis. The audit under-estimated the shortage of human resources and did not perceive the risk of bad governance that could ensure. Furthermore, the project did not appropriately address the problems it was meant to solve. Relevance and quality at entry are deemed unsatisfactory.
2	Achievement of objectives and outputs (effectiveness)	1	1	The project did not obtain the expected outcomes in terms of better investment programming and project monitoring/evaluation due mainly to the abolition of the investment programming expert position during project reformulation. Furthermore, the project did not help to improve economic planning despite limited input to the design of the Poverty Reduction Strategy Paper. Diagnoses of the National Statistics and Accounting System were conducted. Methodological work and statistics training and action plans were also prepared but never implemented. Moreover, the collection, transparency and dissemination of statistics remain inadequate. Neither the number nor quality of MPDE executives increased. Similarly, Bank project effectiveness and performance did not improve. Effectiveness is highly unsatisfactory overall.
3	Efficiency	1	1	The very long project implementation period (over 9 years) incurred substantial management costs (operation and equipment), especially with 19 supervision missions, which necessitated a needless mobilization of resources. Training – the project's priority which absorbed 54% of all initial votes – was not spared the wastage of resources due to the absence of real Borrower commitment and laxity by the Bank. Efficiency is deemed highly unsatisfactory.
4	Impact on institutional development	1	1	Investment programming is still marked by a poor quality Public Investments Programme (PIP). The project did not significantly contribute to the strengthening of institutional planning and statistical data processing capacity. The little progress observed in this area is mostly attributable to cooperation with donors. The current situation of MPDE's capacity to provide quality services remains similar to that of 1999. The creation of CCSO under the project was a positive institutional development for Bank project monitoring. However, CCSO was unable to raise the effectiveness and performance of Bank projects. The impact on institutional development is highly unsatisfactory.
5	Sustainability	1	1	Despite the positive trend in the economic situation caused by higher oil prices, the sustainability of the project impact is limited by the inadequate achievement of all expected outputs, unsatisfactory governance, limited socio-political support and weak resistance to exogenous factors. Overall, sustainability is deemed highly unsatisfactory.
6	Overall project performance and outputs	1	1	The AMPDE Project's overall performance is deemed highly unsatisfactory.
7	Borrower performance	1	1	Overall Borrower performance is deemed highly unsatisfactory due to bad project governance which is the cause of poor project implementation and the non-compliance with institutional arrangements and Bank rules.
8	Bank performance	1	2	Bank performance is highly unsatisfactory, due especially to risk under-evaluation and the Bank's irrational desire to extend the deadline of the project's last disbursement despite all the recurrent project management weaknesses observed.

## EXECUTIVE SUMMARY

### 1. Project Objectives and Scope

1.1 This Project Performance Audit Report (PPAR) concerns the Project to Support the Ministry of Planning and Economic Development (AMPDE), approved in December 1992, reformulated in 1999 and 2002, and completed in September 2006. During its appraisal, the AMPDE Project fell within the context of a low-income country with weak capacity. However, since 2000, Equatorial Guinea has been profoundly marked by the strong growth in oil revenue<sup>1</sup>, which has earned it middle-income country status<sup>2</sup>. Its per capita GDP was estimated at USD 14,980 in 2008 (more than 20 times its 1996 level) and today, it has internal resources to finance its development. However, the AMPDE Project objectives and capacity-building issues continue to be relevant since the country's human development capacity remains largely inadequate.

1.2 The project's main long-term impact was to build Government's capacity to manage the national economy. The expected direct impact included: (i) MPDE's improved investment programming and project monitoring/evaluation capacity; (ii) improved economic planning activities and their methodological approach; (iii) improved statistical data production and processing capacity; (iv) MPDE sustainably endowed with minimum national skills to discharge its duties; and (v) improved effectiveness and performance of Bank projects. These outcomes were to be achieved thanks to the technical assistance of experts and a training programme enabling MPDE executives to perform their tasks. AMPDE is among the operations undertaken at the time in the Republic of Equatorial Guinea (REG), which also comprised a Structural Adjustment Loan, a Poverty Reduction Project and a Project to Strengthen Basic Health Services. No other project was approved until 2008.

### 2 Implementation Performance

2.1 The ADF grant supporting AMPDE (UA 0.807 million at completion) was disbursed between 1993 and 2006. The project was completed 9 years behind schedule due to its poor design, governance, the managers' unfamiliarity with Bank procedures and the shortage of senior staff at MPDE. Only some of the technical assistance staff planned for were recruited, and significantly late too. The project long suffered from the cumbersome supervision of political authorities, (especially in the Ministry, who interfered with project management) and the weak institutional capacity that it was meant to strengthen. Project implementation performance was highly unsatisfactory.

### 3 Key Findings

3.1 Relevance of Objectives and Quality at Entry: AMPDE mainly derives its relevance from the Government's 1992-1995 Policy Framework Paper which received an IMF ESAF (1993-1996) and a Bank SAL (1993-1994). AMPDE is in line with the Bank's capacity-building policy. However, its quality at entry was unsatisfactory because of the unclear formulation of its expected outputs, insufficient resources for achieving them, the absence of a project logical framework, inadequate risk analysis and the attendant mitigative measures. The *ex-ante* audit under-estimated the lack of human resources and did not perceive the risk

<sup>1</sup> Oil production began in 1992 but only picked up after 1996.

<sup>2</sup> Equatorial Guinea is still on the LDC list prepared by the UNO due to inadequate human development.

and consequences of the failure of the “training” component and poor project governance. Confronted by the weak institutional capacity problems it was meant to correct and despite being reformulated a number of times, the project still failed to appropriately respond to needs. Overall, the AMPDE’s relevance and quality at entry are deemed unsatisfactory.

3.2 Achieving Objectives and Outputs (Effectiveness): The project did not contribute to achieving the set objectives of investment programming and project monitoring/evaluation at MPDE because the investment programming expert position was abolished after remaining vacant for 5 years. The training envisaged to improve planning and economic policy did not take place. The planning expert, recruited for 10 months after a 5-year delay, contributed only to drafting the Poverty Reduction Strategy Paper, which was not even finalized.

3.3 In terms of the production and processing of statistical data, the diagnosis of the National Statistics and Accounting System, methodological work and training and action plans were prepared. These action and training plans were not adequately implemented following the departure of the expert concerned. The collection, transparency and dissemination of statistics continue to be marred by weaknesses. Retrospective economic reports have not been prepared since 1992. Moreover, the planned training workshops were not organized or were simply suspended following a decision by the supervisory authority. The human capacity of central statistics departments stagnated despite efforts to train statisticians abroad, some of whom were subsequently recruited by the private sector and other institutions.

3.4 The project did not contribute to endowing MPDE with minimum skills. The Government neither gave in-depth consideration to nor implemented the proposals arising from the study on building the forecast, planning and resource management capacity of Government departments in REG (a project output), having maintained that its involvement therein had been insufficient. The only training outputs were those of four workshops organized by ADI between 1995 and 1997, devoted to Bank procedures. Various other workshops for which financing existed were not held, although the providers were partly paid. Skills transfer through technical assistance was ineffective because national partners were frequently unavailable to ensure continuity.

3.5 The improvement of Bank project effectiveness and performance was also not obtained. Various Bank projects experienced the same difficulties, which the Operations Coordination and Monitoring Unit (CSSO) set up by the Bank was unable to address. In a nutshell, the project did not contribute to improving the socio-economic situation that continues to be characterized by weak social indicators, governance problems, corruption and weak capacity of Government departments.

3.6 Overall, AMPDE’s effectiveness was highly unsatisfactory.

3.7 Efficiency: The long project implementation period (13 years) required 19 supervision missions, which generated considerable additional operating and capital costs. Training – the priority component of AMPDE (absorbing 54% of the grant) – was not spared: the resources allocated for the purpose were under-utilized and wasted. In 2002, resources set aside for training were slashed and transferred to other expenditure chapters due to the difficulty in organizing training activities or last-minute cancellation decided by the Government. Consequently, the efficiency of AMPDE is deemed highly unsatisfactory.

3.8 Institutional Development: The investment programming and project monitoring/evaluation capacity remained weak in MPDE and other ministries since AMPDE did not help to strengthen it. Investment programming is still marked by a poor quality Public Investment Programme.

3.9 The project made very little contribution to building institutional capacity in economic policy and planning, although there was some progress in building such capacity, albeit outside the project. Initiatives undertaken by the Ministry of Finance and MPDE allowed for the design of sector-based development strategies with the support of development partners or foreign consultancy firms, and preparation of economic policies in collaboration with the IMF. The guidelines of the National Economic and Social Development Plan (PNDES/EG 2020) indicate that the institutional planning framework will be restructured, particularly by setting up an EG 2020 Superior Council chaired by the Head of State (MPDE will oversee the EG 2020 secretariat) and an EG 2020 National Agency under the supervision of MPDE, tasked with operationalizing the PNDES.

3.10 The project made limited contribution to building the fledgling national statistics capacity. Progress recorded since 1992 is attributable mainly to MPDE as a whole (outside the project) with cooperation from other donors. The development of the statistics system suffers from the absence of a national strategy to further link the system to the country's needs, especially in the new context of profound economic change.

3.11 MPDE's capacity is virtually the same as in 1999. Overall, AMPDE's impact on institutional development is highly unsatisfactory.

3.12 Sustainability: Overall, the sustainability of project outputs is very unlikely. This could be further exacerbated by the country's financial situation and institutional arrangements made recently in pursuit of EG 2020. Sustainability is negatively affected by the insufficient viability of technical assistance, unsatisfactory economic governance, limited socio-political support and weak resistance to sudden fluctuations in oil prices.

3.13 The overall performance of AMPDE is deemed unsatisfactory.

3.14 Borrower and Bank Performance: The Borrower's performance is unsatisfactory because of poor project financial governance, the weak implementation level, non-compliance with institutional arrangements and Bank rules and procedures, despite the Bank's technical support during supervision missions. The only external audit conducted on the project concluded that it was poorly managed. Although satisfactory at identification, Bank performance was unsatisfactory overall due especially to the under-estimation of risk and the Bank's desire to extend the final disbursement deadline despite the recurrent weaknesses observed in project financial and technical management.

## **4 Conclusions**

4.1 The AMPDE Project (completed nine years behind schedule) performed very unsatisfactorily overall. Expected outputs in terms of stronger institutional and human capacity for investment programming and project monitoring/evaluation, economic planning, statistical data production and processing, and improved performance of Bank projects were not obtained.

4.2 Training and skills transfer – which were the key project components – were a failure. Such unsatisfactory performance is due mainly to the shortage of qualified human resources at MPDE, coupled with poor financial governance during the project implementation period. Quality at entry was unsatisfactory because of under-estimated risk and inappropriate Bank response to the needs of the country whose economy experienced profound change with the advent of oil.

4.3 The project's poor management stems from Government's non-compliance with the institutional arrangements agreed upon and the Bank's laxity over taking a final decision on the project's fate. Bank Management's postponement of project closure aggravated the risk of bad project financial management.

4.4 Thanks to its high oil production, Equatorial Guinea has moved from the low-income status of the early nineties to the current middle-income status, albeit with an inadequate human development level. The country's needs in terms of building capacity to manage the national economy remain considerable, but can now benefit from increased national and external financing. However, as long as the risks that prevailed during AMPDE implementation are not sufficiently taken into account, the Bank's current and future actions will not bring about the desired change to strengthen the country's macro-economic management capacity.

## **5 Lesson and Recommendations**

### **5.1 Key Lessons**

5.1.1 Analysis and adaptation of capacity-building actions to the implementation context is key to ensuring their success and achieving conclusive outcomes. Similarly, an inadequate assessment of country needs and cursory analysis of institutional and political risk factors may lead to the adoption of an inadequate capacity-building project.

5.1.2 Building national capacity to improve macro-economic management effectiveness through training activities is not an adequate response to enhancing the efficiency of management mechanisms in place. Other actions having to do with improving economic governance and retaining qualified executives in Government departments (salary grades and incentives) should also be considered.

5.1.3 The effectiveness of technical assistance when implementing a macro-economic management capacity-building project depends on the availability of competent national counterparts and the existence of adequate skills transfer mechanisms for ownership of macro-economic management tools.

### **5.2 Key Recommendations**

To remedy the weaknesses noted and consolidate outputs achieved, it is recommended that the following actions be taken:

**By Government**

- i. Intensify capacity-building in national economy management based on an identification of real needs, considering the thrusts of the EG 2020 strategy and REG's new socio-economic context as an oil-producing MIC with a low human development level;
- ii. Improve economic and financial governance of development projects and create conditions for sound project management through adequate operation of the institutional framework agreed with the Bank, compliance with procurement procedures and appropriate accounting in each project.
- iii. Initiate adequate human resource development policies nationally and in the civil service, including an effective remuneration/incentives scheme and career development system, accompanied with medium-term capacity-building programmes.
- iv. Consider economic management capacity-building as a national priority that must be mainstreamed in development programmes and projects initiated with or without development partners.

**By the Bank**

- i. In collaboration with other development partners, support the country by financing capacity-building projects of REG's administrative departments in economic and financial governance, investments programming, planning and statistics (assistance in designing the national statistics development strategy).
- ii. Carefully identify governance problems during the management of capacity-building projects and set up an adequate institutional framework with the Government of REG, while complying with the guidelines of good governance and ownership of capacity-building operations.
- iii. Design operational Bank guidelines in line with the new capacity-building policy/strategy, inspired by best practices of multilateral development banks.
- iv. Insert in all capacity-building operations conditions for transferring skills to national counterparts, while supporting the installation of a system for monitoring/evaluating these operations within the country.
- v. Ensure the strict application of Bank operational guidelines which set forth conditions for closing a project and cancelling a grant or loan.

## 1. PROJECT

### 1.1. Context and Rationale for Bank's Involvement

1.1.1. Approved in December 1992 and completed in September 2006, the Project to Support the Ministry of Planning and Economic Development (AMPDE) was first implemented in the context of the Republic of Equatorial Guinea (REG) of the early nineties. Subsequently, the project had to operate in a country context profoundly marked by robust growth of oil revenue<sup>3</sup> and GDP. In 2008, the World Bank (WB) estimated per capita GDP at USD 14,980 (over 20 times its 1996 level) for a population of 562,339<sup>4</sup>. Today, the country's own resources can finance its development. However, REG's capacity and human development level remain largely inadequate. The country is still on the UN's list of LDCs<sup>5</sup>. Its capacity-building needs are huge and varied.

1.1.2. In its low-income, indebted context, the Government engaged negotiations with the IMF in July 1992 to obtain a three-year Enhanced Structural Adjustment Facility (ESAF)<sup>6</sup>. A satisfactory implementation of the 1992-1995 Policy Framework Paper (PFP) required the strengthening of the country's institutional management and planning capacity. Institutional weaknesses were perceptible in planning, macro-economic management and project management, especially in the Ministry of Planning and International Cooperation (MPCI), later named Ministry of Planning and Economic Development (MPDE). The MPCI lacked qualified and experienced executives, and needed technical assistance, staff training and equipment.

1.1.3. Therefore in March 1992, the Government requested the Bank's assistance to strengthen MPCI's capacity through an institution building project. In April 1992, it had already obtained a Structural Adjustment Loan from the Bank to support the 1992-1995 EPFP and its reforms. AMPDE was prepared based on an MCPI study financed by the then EEC and discussions with the Government. The appraisal report was drafted after the Bank fielded an appraisal mission in August 1992. The Bank approved the project in December 1992.

1.1.4. The country's current economic context is much more favourable than in 1992. Equatorial Guinea is now a middle-income country, thanks to its oil production which rose from 3,000 barrels/day in 1992 to 382,000 barrels/day in 2006 and 465,000 barrels/day in 2007, making REG the third oil-producing country in Sub-Saharan Africa. Its oil revenue grew substantially from USD 3 million in 1993 to USD 190 million in 2000 and USD 3.3 billion in 2006. Although it has the highest financial reserves within ECCAS, the majority of its population still lives in poverty<sup>7</sup>. The UNDP's Human Development Index (HDI 2007) ranks the country 118<sup>th</sup> out of 182 countries. REG's institutional capacity remains inadequate due mainly to its weak human resources and poor economic governance.

<sup>3</sup> In April 1992, the Prime Minister opened the first valve of export oil and gas. In 1996, REG truly joined the circle of oil-exporting countries thanks to off-shore production at Almagro.

<sup>4</sup> UN estimates for 2007-08. Government's population estimates are much higher (almost double).

<sup>5</sup> REG ceased to be an IDA/WB-eligible country during FY 1999; its ADF/ADB eligibility ended in 2000.

<sup>6</sup> A 3-year 1993-1996 ESAF was approved by the IMF in March 1993, which came after the 1988-1991 SAF.

<sup>7</sup> According to a 2006 poverty profile survey, about 77% of Equatoguineans are poor.

## 1.2. Project Design

1.2.1. The initial project was designed jointly by the Bank and Government in a context marked by institutional weaknesses in terms of planning and investment programming. The Government did not have a strategy defining its development priorities. The preparation of the investment budget was not thorough and half-yearly reports on the financial situation and the level of budget implementation were not available. Furthermore, annual public investment programming (PIP) was not included in the appropriation bill. The staff of departments concerned lacked the required qualification and experience to effectively discharge their tasks. Added to that were difficulties encountered by Government to recruit qualified senior staff.

1.2.2. At start-up, the Project to Support the Ministry of Planning and Economic Development (MPDE) was one of very few projects in that sector in the Republic of Equatorial Guinea (REG). The objectives were too broad (embracing all MPDE domains). This was also the case with the terms of reference of experts, especially compared to the limited resources mobilized and the implementation timeframes adopted. With regard to the project institutional framework, the appraisal report indicated that MPDE was the project executing agency and that the Minister was to put in place the Project Implementation and Monitoring Steering Committee (CDEP) tasked with coordinating project activities, including project orientation and implementation.

1.2.3. Combined with the lack of qualified senior staff, the weaknesses of institutional structures led to significant delays and poor project management. The decision to stop the project was never taken.

1.2.4. To tackle these problems, the project was reformulated twice: in April 1999 and October 2002. While maintaining costs at their initial level, these reformulations sought to revive the project and consisted mainly in revising the tasks of experts and consultants to be recruited<sup>8</sup>, re-directing training towards short-term activities, making the project's institutional framework more operational and updating the initial planning.

1.2.5. The 1999 reformulation allowed for the establishment of a Project Implementation Unit (PIU). Even so, the PIU could not play its role because of interference from the Ministers of Finance and Planning and the ineffectiveness of the Bank Operations Coordination and Supervisory Unit (OCSU) in the Ministry of Finance<sup>9</sup>, whose relations with the PIU were not clearly defined.

1.2.6. In contrast to the initial project, the 1999 and 2002 project reformulations introduced poverty reduction activities<sup>10</sup>. The oil boom and its impact on the national economy since the end of the 1990s revealed new planning and programming needs, mostly in energy and related sectors, especially in terms of capacity building. It also highlighted the competition that the MPDE faced in recruiting senior staff and mobilizing domestic and external financial and other resources.

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<sup>8</sup> The 1999 reformulation restructured the two remaining positions of technical assistance: recruitment of a macro-economic statistics expert for 12 months instead of the investment programming expert, and extension of the planning expert's contract to 10 months.

<sup>9</sup> Technically, OCSU's tasks were mainly to: (i) ensure the physical/financial monitoring of projects; (ii) monitor disbursement requests; (iii) ensure the payment of counterpart contributions; (iv) ensure the regular drafting of quarterly progress reports and audit reports; (v) monitor debt repayments to the Bank; (vi) support Bank missions in REG; and (vii) ensure coordination with donors represented in the country.

<sup>10</sup> The initial project hardly mentioned poverty reduction, which was covered by a specific poverty reduction project financed by Bank.

### **1.3. Objectives and Scope at Appraisal**

1.3.1. The overall objective of AMPDE is to build Government's capacity in macro-economic management. The specific objectives are to: (i) strengthen MPDE's investment programming and project monitoring/evaluation capacity; (ii) continue the economic planning activity and improve its methodological approach; (iii) improve the capacity to produce and process statistical data; (iv) sustainably endow MPDE with minimum national skills to discharge its missions; and (v) improve the effectiveness and performance of Bank projects.

1.3.2. The expected outcomes (in terms of improvement) are: (i) investment programming and project monitoring/evaluation at MPDE; (ii) economic planning and methodological approach; (iii) production and processing of statistical data; (iv) sustainably endowed MPDE with national skills; and (v) effectiveness and performance of Bank projects. AMPDE was among operations implemented at the time in REG, including a Structural Adjustment Loan (1992), a Poverty Reduction Project (1993) and a Project to Strengthen Basic Health Services (1998). No other project was approved by the Bank until 2008.

1.3.3. The main project outputs consisted in designing and implementing training plans, training and endowing senior staff with necessary skills to provide quality services, providing efficient technical assistance operations and rendering MPDE structures functional. In particular, technical assistance operations concerned planning, investment programming and statistics. To attain these objectives, the project hinged on four components: technical assistance, training, equipment, and project operation. Indicators related to project outputs and their articulation with the objectives feature in the retrospective logical framework matrix. AMPDE's logical intervention model identifies activities, outputs, direct impact and long-term impact. The model's outline is presented in Annex 6.

### **1.4. Financial Arrangements**

1.4.1. The AMPDE Project of UA 1.012 million was jointly financed by TAF/ADB and the Government. TAF financing amounted to UA 0.921 million (91% of the total cost) while Government's expected counterpart contribution was UA 0.091 million (9% of the total cost).

1.4.2. The projected expenditure by category is distributed as follows, as a percentage of the total cost: technical assistance, 21.9%; training, 49.1%; equipment and supplies, 8.7%; operation, 11.2%; and contingencies, 9.1%. The relatively high allocation for training underscores the project's emphasis on training executives to remedy the supervision weaknesses observed.

1.4.3. The 1999 and 2002 reformulation postponed the date of final disbursement. The grant period was extended despite the fact that from 2000 onwards, the country was no longer eligible for ADF resources, having changed status to a low-capacity middle-income country (MIC) with an inadequate human development level.

## **2. EVALUATION**

### **2.1 Ex-Post Evaluation Methodology and Approach**

2.1.1. The methodology used stems from the project evaluation guidelines issued by the Operations Evaluation Department (OPEV)<sup>11</sup>, which are inspired by good evaluation practices of multilateral development banks, especially in terms of evaluation criteria. The logical model, evaluation matrix and retrospective matrix for the operation are all designed to better pinpoint the objectives and the results chain, on the one hand, and to guide the collection and presentation of information related to project implementation and impact, on the other.

2.1.2. The project performance evaluation is based on the following criteria: relevance and quality at entry; effectiveness; efficiency; impact on institutional development and any other impact; sustainability; Borrower's performance; Bank's performance and overall performance. The evaluation uses the "pre-" and "post"-programme approach to assess the achievement of outputs. Since quantitative data was unavailable for some indicators, results and impact could be measured only in terms of trends rather than degree. The review matrix (which assembles the main review questions) is in Annex 9.

2.1.3. The evaluation used various documents: policy papers (CSP, poverty reduction, macro-economic and sector-based policies, etc.) and project documents (project appraisal, supervision and completion reports). It also tapped from interviews with AMPDE stakeholders (local authorities, donors and key beneficiaries). These interviews centred on the stakeholders' perception of the project's expected or unplanned outcomes and impact.

2.1.4. To conduct interviews and collect data from stakeholders, interview guides, questionnaires on training (distributed to beneficiary entities) and questions and sub-questions of the evaluation matrix, were used.

2.1.5. An AMPDE ex-post evaluation mission visited Malabo from 6 to 14 November 2009, to discuss and complete the preliminary analysis contained in a report. Comments were made on this report by REG authorities and the Bank, prior to its finalization.

### **2.2 Availability and Use of Databases and Key Output Indicators**

2.1.6. Although available documentation is quite vast, its main weakness is the limited number of available quantitative indicators on the level and trend of institutional capacity, and the impact of actions implemented. Key indicators are found in the AMPDE logical framework retrospective matrix given in Annex 7.

2.1.7. This matrix comprises, among other things, indicators related to strategic elements identified by the logical framework model (purpose, objectives, impact, outputs, activities and inputs) and highlights their causal links and assumptions relative to external factors that could affect or actually affected the success or failure of the project. Some performance and monitoring indicators were identified from AMPDE appraisal and completion reports while others were identified following the analysis work undertaken.

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<sup>11</sup> Revised guidelines for drafting the Project Completion Report (PCR) and Project Performance Audit Report (PPAR) appraisal note, OPEV, 26 September 2001,

2.1.8. The logical framework retrospective matrix identifies specific objectives and outputs, proposes more quantitative indicators and includes the Country Policy and Institutional Assessment (CPIA) indicators used by the Bank. Governance-related CPIA criteria partly concern the strengthening of development management capacity. The quantitative criteria include: CPIA indicators; the GDP growth rate; HDI; the number of persons trained; the number of equipment delivered, etc. For their part, qualitative indicators include: the World Bank's "Doing Business" and Transparency International's rankings; the IMF's statistical publications, development programmes, studies, etc. Despite their limited number and the limits of some, these indicators are used as pointers to the trend of country economic and governance performance.

### **3. IMPLEMENTATION PERFORMANCE**

#### **3.1. Compliance with the Implementation Schedule**

3.1.1. Although grant effectiveness was quick, the project was completed 9 years behind schedule, after a period of 13 years 8 months instead of 4 years 9 months. This very long delay is due to poor project governance, nationals' unfamiliarity with Bank procedures, lack of supervision at the MPDE level and lack of ownership of the project by MPDE authorities.

3.1.2. Only the procurement of equipment from 1994 to 2000 (after the 1999 reformulation) took place within acceptable timeframes. In contrast, experts who should have been recruited in 1994, were recruited only in 2000. The statistics and national accounting specialist and the specialist in economic strategies and policies were recruited in July and November 2000, respectively<sup>12</sup>.

3.1.3. Training sessions were either delayed or did not take place at all. The only ones that were organized on schedule were 4 training workshops coordinated by ADI from 1995 to 1997. Most of the other workshops and short- and medium-duration training sessions planned did not take place. This represents a major malfunction of the capacity-building project in a country with weak human capacity.

3.1.4. In view of such non-compliance with timeframes and Bank rules, the operational departments in 1999 had asked that the project be closed. However, following high-level steps by the Government, Bank Management had accepted to reformulate the project and postpone its closure<sup>13</sup>.

#### **3.2. Compliance with Expected Project Costs and Disbursements**

3.2.1. After cancellation of a balance of UA 0.114 million, the net ADF grant stood at UA 0.807 million (fully disbursed), while Government's counterpart contribution amounted to UA 0.023 million and the real total project cost UA 0.830 million. The difficulty of mobilizing the counterpart contribution during the first phase of the project was surmounted after the country's

<sup>12</sup> Only one consultant in employee evaluation was recruited in October 1994 for 1 month. However, the Government was not satisfied with the consultant's performance.

<sup>13</sup> The Bank sent notice of cancellation of the grant with 20/9/1998 as deadline. On Government's request and following the visit of the Prime Minister to the Bank, the decision was taken to revive the project. The Bank conditioned the resumption of disbursements on the production of a viable project revival plan, approved in April 1999. At end 1999 and early 2002, given the inefficient management of the project, the Bank decided not to extend the deadline for closing the project. However, it came back on its decision at Government's request.

financial situation improved. Since the bulk of training costs was not incurred and the project period was extended, expenditures only covered operating expenses and procurement of equipment.

3.2.2. Actual disbursements of the project grant were spread over 13 years instead of 5 as planned. Disbursement delays were mainly due to non-compliance with Bank rules and procedures. In several cases, revolving fund expenses preceding the disbursement request could not be validly justified. Besides, the multiplication of ineligible expenses led the Bank to tighten control over the disbursement process. This caused frequent tension between the Bank and REG.

### **3.3. Project Management, Reporting and Monitoring/Evaluation**

3.3.1. The enforcement of institutional arrangements was unsatisfactory. CDEP (which rarely held working sessions) and the PIU (which lacked real authority and appropriate premises) did not play their roles. This situation was due to interference from the Ministries of Planning and Finance, the insufficient mastery of Bank rules and the absence of technical support from experts recruited for that purpose.

3.3.2. The persistence of financial irregularities led the Minister for Finance to directly take charge of the project account management in 2002, thus becoming the authorizing officer of project expenditure, with right of signature on the special account. It was also beyond the PIU's capacity to really monitor and programme the activities of experts or training due to its unclear or subordinate status, compounded by its limited technical competence.

3.3.3. Staff allocation was also highly unsatisfactory. Three coordinators were assigned to the PIU in quick succession (two from 1994 to 1996) and four to CCSO. This instability largely contributed to weakening their role. Key project staff was transferred late.

3.3.4. No quarterly report was produced. In thirteen (13) years of implementation, only one internal audit (2001) and one external audit (2005) were conducted. In 2001, the report of the Bank's Audit Department had observed in general that no Bank-financed project in Equatorial Guinea had set up a real accounting system capable of recording and producing reliable information on project implementation. Only one independent audit of the project was conducted in April 2005. Due to the unavailability of credible accounting documents, particularly the absence of detailed project accounts from 1993 to 1998, the auditor was unable to audit project accounts from 1993 to 2001 and had expressed a number of reservations on project management<sup>14</sup>. The project witnessed 19 supervision and mid-term review missions, which repeatedly recommended that the project be closed due to delays and management weaknesses.

3.3.5. CCSO's contribution to improving the effectiveness of Bank projects remained very limited. Although a new CCSO coordinator took office in March 2006, CCSO submitted only one poor quality progress report at completion of the project. Since project closure, the Government has continued to cover the recurrent expenditure, especially the operating costs.

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<sup>14</sup> The main reservations of the external audit are as follows: non-existence of a reliable monitoring system; no reliable procedure for procurements and purchases financed on the special account; special account expenditure not justified or insufficiently justified; project goods serving little for its activities and hardly identifiable; absence of accounting compliant with accepted international standards; payment requests neither accounted for nor monitored; financial statements not presented at the end of each fiscal year; and most Bank supervision recommendations not implemented or implemented late.

3.3.6. The implementation performance is highly unsatisfactory.

## 4. EVALUATION FINDINGS AND PERFORMANCE RATING

### 4.1. Key Findings

#### a) Relevance and Evaluation of Quality at Entry

4.1.1. The project mainly derives its relevance from its support to Government's 1992-95 Policy Framework Paper (supported by the IMF's 1993-96 ESAF and the Bank's 1993-94 SAL, in furtherance of the 1988-91 SAF) and its alignment to Government's capacity-building objectives. The scope of the AMPDE project was set jointly by the Government and the Bank. The project aimed to: (i) improve MPDE's human resources through training; and (ii) strengthen MPDE's instruments for designing and implementing the country's macro-economic policy, by providing its structures with the necessary equipment. AMPDE supported MPDE's efforts to build programming, planning and statistics capacity, in line with REG policies.

4.1.2. Although the *ex-ante* evaluation report does not explicitly mention poverty reduction concerns, subsequent project reformulations included activities related to poverty reduction. As poverty continued to be rife in REG and income inequalities widened despite oil resources, the 1999 and 2002 project reformulations envisaged technical assistance linked to poverty reduction.

4.1.3. AMPDE was in line with the Bank's capacity-building policy in the low-income country that Equatorial Guinea was at the time, expressed particularly in the PPAR 1989-91, the PPAR 1995-97 and the CSP 1996-98. The Bank's institution building support used the TAF grant instrument, through technical assistance, training and provision of equipment and computer hardware.

4.1.4. Quality at entry was affected by the lack of precision of expected outcomes, the insufficient resources and time given to obtain them, and especially the insufficient risk analysis. The appraisal report contained an insufficient number of performance monitoring indicators and did not include a project logical framework. The poor definition of expected outcomes led to an under-estimation of the resources needed to achieve them. Assuming that despite the weak national capacity, activities could be implemented thanks to training offered by the project, the real technical assistance needs were under-evaluated. Moreover, the institutional framework selected for the project lacked precision as far as responsibilities for managing CDEP and modalities for using technical assistance were concerned. The level of collaboration between experts and their national counterparts was also not clearly defined.

4.1.5. Project quality suffered due to inadequate identification of risk and mitigative measures. The only risk identified – the lack of economists for MPDE and departure of staff trained by the project – was considered insignificant by the appraisal report, viewed against the high number of unemployed graduates in neighbouring countries. The mitigative measure envisaged was the signature of contracts by training beneficiaries. The appraisal underestimated the weak human resources which concerned not only economists but also all categories of skilled workers likely to be supplied by neighbouring countries.

4.1.6. The appraisal did not identify risk linked to bad governance during the procurement of goods and services, the shortage of technical staff and weak skills. Measures taken during project reformulation had not considered the serious issues affecting project governance.

4.1.7. Changes induced by the oil boom were characterized by: a significant rise in GDP and State expenditure, profound modification of the economic structure accompanied by rapid sociological changes (rural exodus, high immigration), governance and capacity-building needs. Capacity-building needs became particularly significant in terms of oil resource monitoring and planning of State operations. The risk induced by these changes were not identified and adequately considered for mitigation. Reformulations were strongly influenced by the quite different earlier socio-economic context. It was only with the CSP 2004-2006, the PNDSE/Equatorial Guinea 2020 and the CSP 2008-2012 that full consideration was given to the impact of the changes occurring in the country's economic structure.

4.1.8. The project was neither appropriately designed nor reformulated and adapted to suit the country's specific circumstances. Project relevance and quality are deemed unsatisfactory.

b) Achievement of Objectives and Outcomes (Effectiveness)

4.1.9. The project could not *strengthen conditions for improving the quality of MPDE services*. A study on building the forecast, planning and resource management capacity of REG Government departments was conducted<sup>15</sup>. It led to a diagnosis and proposals deemed unsatisfactory by MPDE.

4.1.10. The objectives of training and knowledge transfer through technical assistance were not achieved. Training plans were designed by experts but not implemented. Four workshops coordinated by the African Development Institute between 1995 and 1997 for about 90 staff of ministries, devoted mainly to Bank procurement and disbursement procedures, were organized. Workshops on economic planning, financial programming, basic statistics, debt management, fiscal control and accounting assistance were not held.

4.1.11. The training failed for several reasons: the Project Implementation Unit's poor understanding of Bank procedures; the lack of enthusiasm at activity start-up; the late recruitment of experts; their under-utilization and the programming of many training sessions at a period when experts had left the project. The question of the working language of these workshops (French or Spanish) was also raised. Knowledge transfer through technical assistance did not take place or was limited in scope, particularly because of the frequent unavailability or absence of national counterparts and failure to implement training activities on time. Furthermore, the trained and experienced MPDE executives moved to higher, more attractive and better-paid positions outside MPDE.

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<sup>15</sup>Study on building the REG Administration's resource forecast, planning and management capacity, report and annexes, AMPDE/NSCE Project, August 2004.

4.1.12. *Relying particularly on CCSO, the project did not enhance the effectiveness and performance of Bank Group projects.* Outputs are unsatisfactory for projects approved by the Bank in the nineties<sup>16</sup> (SAL 1993-94<sup>17</sup>, Poverty Reduction Project and Project to Strengthen Basic Health Services). The overall performance of the three projects was deemed unsatisfactory<sup>18</sup>. Bank projects prior to 1998 suffered the same difficulties, with CCSO unable to remedy the situation: weak human resource capacity; inadequate understanding of Bank rules and procedures; very significant delays and difficulties of communication between the Bank and project implementation units. After AMPDE's closure, the Government took over CCSO operation. It is worth noting that no Bank project was approved from 1998 to 2008. Those approved in 2008 and 2009<sup>19</sup> had to overcome difficult supervision and management problems.

4.1.13. The project did not produce the expected results that would help to *improve MPDE's capacity to design, implement and evaluate REG's economic and social development plans and projects* due to the failure of the two main components – training and technical assistance. The assistance of a planning expert to help MPDE design development and poverty reduction strategies and programmes (while participating in formulating and implementing a training programme for MPDE staff), was obtained. Its contribution is summarized under MPDE's participation in producing the Poverty Reduction Strategy Paper<sup>20</sup>, based on the findings of the poverty profile study and a participatory approach. Project evaluation is often too brief, without assessing the implementation of plans prepared outside the project framework.

4.1.14. The project *did not improve the reliability of REG's socio-economic and macro-economic statistics.* It contributed in a limited way and to various degrees to obtaining the expected statistical products of DGSCN/MPDE. These include notably: diagnosis of statistics and national accounts available; preparation and implementation of the statistics action plan; statistics methodology documents, comprehensive national accounts; more reliable statistics for economic policy and planning; improved dissemination of statistics; increased staffing of the central statistics agency (DGSCN) and; an improved national statistics institutional framework.

4.1.15. The statistics expert was to help MPDE diagnose the statistics and national accounting system. The work<sup>21</sup> done by the statistics expert and the capacity-building consultant recruited for 4 months revealed that these were mostly methodological in scope and covered the statistics nomenclature, external trade statistics, economic surveys necessary for national accounts, the existing national accounts methodology, the DGSCN's IT resources and training needs. This work did not lead to retrospective economic accounts, which have not been prepared since 1992. The proposed statistics and training action plans were not considered and implemented after the departure of the expert/consultant.

<sup>16</sup> See in particular: Equatorial Guinea, Poverty Reduction Project, Completion Report, June 2008; Equatorial Guinea, Portfolio Review, May 2003.

<sup>17</sup> REG, CSP 1996-98, ADB. The structural adjustment loan was approved in April 1992 for UA 8.3 million and disbursed quickly; its outcomes were inadequate.

<sup>18</sup> The Poverty Reduction Project (UA 4.6 million) was closed in 2006, nine years behind schedule, without completion. A balance of UA 2.8 million was cancelled. The Project to Strengthen Basic Health Services, approved in 1998, was closed in 2007, four and a half years behind schedule without satisfactory results.

<sup>19</sup> REG, Programme to Train Mid-Level Managers and Executives, UA 40 million, Oct. 2008. Health System Support Project, UA 15 million, Oct. 2008; Public Finance Management Support Project, UA 15 million, Nov.2008; Project to Support the Implementation of the National Economic and Social Development Plan, UA 395000 MIC Grant, April 2009. Demographic and Health Survey Support Project, UA 334,000 MIC Grant, August 2009.

<sup>20</sup> This document could not be consulted by the mission in the ADB or project archives since the expert concerned failed to hand a copy of his reports to the PIU coordinator.

<sup>21</sup> Forecast, Planning and Resource Management Capacity-building Study.

4.1.16. The statistics expert's performance was deemed unsatisfactory by the Government due to insufficient work and inadequate knowledge transfer in the absence of national counterparts. More reliable statistics for macro-economic planning needs were produced and published at DGSCN during and after the stay of the statistics expert. However, these achievements cannot be attributed to the project. The poverty profile finalized in 2006 was partly financed by the project, in collaboration with the Bank's Poverty Reduction Support Project<sup>22</sup>. The data input of external trade statistics with support from CEMAC and renewed efforts to process the tax statistics recommended by the expert, are underway. DGSCN's human capacity has stagnated since 1992 despite efforts to train statisticians, some of whom were recruited by the private sector or other Government departments.

4.1.17. Furthermore, the project did not *contribute to improving the quality of the Public Investment Programme (PIP)*, due to the abolition of the investment programming expert position (which remained vacant for five years) and failure to hold training sessions planned. The quality of the PIP remains inadequate. In 2005, 2006 and 2007, actual PIP expenditure was USD 846, 1,456 and 2,126 million, respectively, for estimates of USD 381, 817 and 2,044. Many non-PIP projects decided by the State are periodically included for regularization.

4.1.18. *The project did not contribute significantly to improving REG's socio-economic situation.* Since key project components such as training and technical assistance failed, the project was unable to bring out the expected changes in MPDE in terms of capacity-building. Despite a relatively robust economic growth (20% during the 2000-2005 period and 7.6% on average in 2006-2007), driven mainly by investments in the oil and gas sector, virtually all social indicators are lower than the average continental levels (infant mortality rate of 97.1 for 1,000 in 2009 and a drinking water access rate of 43% of the population in 2006). REG continues to have issues regarding transparency in public resource management, corruption and serious lack of capacity in Government departments.

4.1.19. Overall, project effectiveness is deemed highly unsatisfactory.

c) Efficiency

4.1.20. Project closure came 9 years behind schedule. This substantially raised management costs, especially with 19 supervision and mid-term review missions, the renewal of project equipment and the extended operation of the PIU and CCSO. These additional costs were linked to inadequate governance.

4.1.21. Advances paid to training providers were not recovered due to the cancellation of training activities and organizational difficulties encountered.

4.1.22. Language difficulties also raised the issue of efficiency. Although French has been the second official language since 1998, it is used far less than Spanish and many staff cannot work in French. Since project experts cannot work in Spanish and staff lack knowledge of French, communication and knowledge transfer is hampered. This reduces project efficiency.

4.1.23. Due to the Borrower's lack of real commitment and the Bank's laxity, efficiency is deemed highly unsatisfactory.

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<sup>22</sup> The results of the poverty profile were incorporated in the National Economic and Social Development Plan (PNDES), adopted during the Malabo National Conference of November 2007.

d) Impact on Institutional Development

4.1.24. The project did not help to build institutional capacity to programme and analyse investment projects, which remained weak at MPDE and in the ministries. Investment programming continued to be marked by a Public Investment Programme (PIP)<sup>23</sup> of poor quality and narrow distribution. The PIP is prepared every year by MPDE, without sufficient coordination with the Ministry of Finance for medium-term budget forecasts. Actual PIP expenditure differs from projections. The weaknesses observed stem from inadequate projections and Government's inclusion of projects decided outside the planning process in the course of the year. Infrastructure makes up a dominant portion of the PIP, although investments in the social sectors albeit weak, have increased, thanks especially to inputs from the Social Development Fund (SDF) put in place with appropriations from oil revenue.

4.1.25. Project definition often lack precision. Furthermore, only a small proportion of projects are appraised in terms of set objectives and implementation modalities. The appraisal, technical feasibility and cost of projects and their contribution to development objectives were not examined by the planning units and services of ministries or MPDE. Private investments are not considered or monitored in this process. Procedures manuals are not available to design and monitor investment programmes.

4.1.26. Besides, investment programming and project monitoring contain weaknesses linked to compliance with public accounting and procurement rules, budgetary process implementation, payment authorizations and public expenditure control. The centralization of investment expenditure execution solely in the hands of the principal authorizing officer for all public expenditure (i.e. the Head of State) poses the risk of poor public resource management

4.1.27. The project made little contribution to building the institutional capacity of ministries tasked with economic policy and planning. Initiatives implemented by the Ministry of Finance, MPDE and the Government outside the project, allowed for formulating economic policies in collaboration with the IMF and devising development strategies with the support of other development partners and foreign consultancy firms. Therefore, the last IMF report<sup>24</sup> presents an analysis of Government's economic policy, which it considers inadequate, based on the 2004-2008 economic and financial statistics, 2008-2013 economic projections, public debt sustainability and fiscal resource analysis.

4.1.28. The approval of development strategies prepared or evaluated in 1997, 2004 and 2007 showed that economic policy and planning capacity was weak. Such weakness persists to this day. The structures concerned, particularly MPDE, cannot by themselves steer projects, conduct in-depth short-, medium- and long-term economic and social analyses, or analyse public finance sustainability.

4.1.29. Weaknesses in policy design and implementation are also reflected in the management of cooperation with development partners. The alignment, harmonization and coordination of cooperation remain weak. The prerogatives of MAE and MPDE in the field of cooperation are not clearly delineated and development partners wish for better coordination of their assistance under Government's leadership and the timely availability of counterpart contributions for projects.

<sup>23</sup> The PIP consists of a medium-term (3 years) public investment forecast and a more specific determination of investments for the first year of the PIP. Technically, the amount for the first year of the PIP features in the State's annual budget. The PIP is in the form of a list of projects, distributed by the supervisory ministry and sector, and determines the annual budgetary envelope granted to each project.

<sup>24</sup> Equatorial Guinea. 2008 Article IV Consultation—Staff Report IMF 09/102, March 2009.

4.1.30. The project did not contribute significantly to strengthening institutional capacity in statistics (the capacity remains inadequate). Some progress has been noted following a number of statistics operations conducted by MPDE with the cooperation of other donors. A corpus of statistics is now available for economic policy and planning needs, a part of which had been recommended by the AMPDE diagnosis. The 2005 retrospective economic accounts are being finalized with the support of AFRITAC, while rapid annual estimates of the aggregates are done by BEAC in collaboration with the IMF. Information gathering for national accounting needs, and especially external trade and corporate accounts, is being revived but much remains to be done. The on-going modernization and computerization of the tax, customs and budget departments will enable quick access to such information in future. A monthly harmonized consumer price index in Malabo, established with the support of AFRISTAT, became national since 2009. A general population census conducted in 2002 provided useful data, but a serious problem arose in estimating the total population, since Government's estimates differ widely from those of international organizations.

4.1.31. The transparency, publication and dissemination of statistics remain unsatisfactory. DGSCN's website has not been operating since 2007, the year DGSCN moved to its current location. A major statistical constraint remains the lack of transparent data on oil production and revenue. Such opaqueness is bound to reduce following REG's adherence in May 2005 to the Extractive Industries Transparency Initiative (EITI). However, much has not changed in terms of data transparency. There is need to reconcile the figures given by oil companies with those published by the State.

4.1.32. A significant institutional milestone was reached with the adoption in 2001 of the law on statistics, providing for the creation of a national statistics institute which has still not been set up. DGSCN and statistics correspondents (located in ministries but not within planning units) have little resources. In any case, statistics development which cannot but be the result of medium- and long-term efforts, continues to suffer from the absence of a National Statistics Development System (NSDS).

4.1.33. MPDE's capacity in terms of national expertise has stagnated. However, its future ability to recruit and train has grown potentially following guidelines given (outside the project), pursuant to PNDES/EG 2020. AMPDE's training programme failed. Generally, capacity-building within MPDE is a failure in most areas. In a context where economic development driven by the oil boom leads Government departments to vie for skilled labour, the dearth of qualified human resources at MPDE is structural because it is difficult to source the qualifications sought and civil service salaries are low. These weaknesses are aggravated by the unstable human resource structure (considering the departure of experienced executives lured by the private sector and other administrations), hence the lack of skills transfer to newly recruited senior staff.

4.1.34. The PNDES/EG 2020 implementation arrangement – comprising the EG 2020 Superior Council chaired by the Head of State (secretariat kept by the Ministry of Planning), the National Monitoring and Evaluation Committee chaired by the Prime Minister (secretariat kept by the EG 2020 National Agency), the EG 2020 National Agency under the supervision of the Ministry of Planning, and provincial, district and local committees – opens brighter prospects for building MPDE’s capacity.

4.1.35. The establishment of the Bank Operations Coordination and Monitoring Unit (CCSO) to monitor Bank projects in REG is a positive move, although this institutional development did not sufficiently boost the pace of Bank projects now completed. Since the Government has taken over CCSO financing, it is possible to envisage its continuous operation and support.

4.1.36. Overall, institutional development in investment programming, planning, statistics and national skills endowment is deemed highly unsatisfactory.

e) Sustainability

4.1.37. Despite the positive evolution of the economic situation due to higher oil revenue, the sustainability of project outcomes is limited by the insufficient attainment of expected outputs, unsatisfactory governance, inadequate socio-political support and difficulty in resisting external factors.

4.1.38. The viability of technical assistance, affected by the lack of human resources and the poor results of training and knowledge transfer, underscores the persistence of MPDE’s dependence on external technical assistance. The low civil service salaries and unstable government supervision have not allowed for consolidation of results. Unsatisfactory governance in ministries limited the scope of commitments taken during the 2007 National Conference. The country is also highly exposed to exogenous risks such as the fall in oil prices and the economic and political instability in the region.

4.1.39. Overall, the sustainability of project impact is deemed highly unlikely – hence, highly unsatisfactory.

## 4.2. Performance Score

a) Overall Performance and Results

4.2.1. The project’s contribution to the sector objective of strengthening Government’s capacity to manage the national economy is unsatisfactory mainly because of the low level of achievement of specific objectives. This poor performance is due to poor risk appraisal and bad project management, despite its reformulation. Training and technical assistance, including knowledge transfer (the main project component), were not appropriately implemented, making it difficult to assess the effects and spinoffs to improve the country’s performance or economic management.

4.2.2. Economic governance in the country suffers from the unsatisfactory performance of the country's policies and institutions (CPIA equal to 3.16 – the average of ADF countries being 3.42) confirmed by WB publication<sup>25</sup>. The World Bank's Doing Business Report ranked Equatorial Guinea 170<sup>th</sup> out of 183 countries in business facilitation in 2010. Despite its relatively high per capita GDP, the 2007 HDI calculated by UNDP classifies the country 118<sup>th</sup> out of 182 countries.

4.2.3. Overall, the AMPDE Project's overall performance is highly unsatisfactory.

b) Borrower's Performance (Donee)

4.2.4. The Government identified capacity-building needs to support its Economic Policy Framework Paper (1992-95) and helped in the project design (while preparing a study financed by the EEC) and its appraisal by the Bank. However, it did not put in place institutional conditions for good project start-up and for ensuring its successful implementation, particularly during the 1999 and 2002 reformulation. This situation is attributable to the under-estimation of MPDE's human resource needs, bad governance and the definition of an ill-adapted institutional framework.

4.2.5. Implementation performance is highly unsatisfactory due to bad project governance, - completed 9 years behind schedule. The PIU was unable to perform all its management functions, especially financial ones, due to interference of MPDE and Finance Ministry officials. The PIU staff, national partners and beneficiaries kept changing. Technical assistance staff were either recruited late or not recruited at all. The terms of the loan agreement were not complied with, particularly Bank rules for the procurement of goods and services. Project monitoring reports were not prepared<sup>26</sup> and only one external audit was performed in thirteen years of project implementation.

4.2.6. Therefore, Borrower's performance is deemed highly unsatisfactory.

c) Bank's Performance

4.2.7. Project identification adequately confirmed the magnitude and content of MPDE's capacity-building needs in terms of managing the economy and projects. Project preparation and appraisal under-estimated the human resource shortage, institutional risk and governance weaknesses. Project quality at entry is unsatisfactory, particularly in terms of the clarity of expected outcomes, identification of a sufficient number of relevant indicators, design of a logical framework, determination of precise technical assistance needs, risk identification and mitigative measures.

4.2.8. The Bank undertook 19 supervision missions in thirteen years, with the support of the Bank's Libreville Field Office following its creation. The number of missions at project start-up was insufficient. These missions did not contribute adequately to problem-solving especially because their duration was usually too short. Mission proposals that the project be closed at the end of the nineties should have been heeded.

<sup>25</sup> Governance Matters 2009, World Bank.

<sup>26</sup> A n unofficial and incomplete Government completion report is available.

4.2.9. Overall, Bank performance is unsatisfactory.

### **4.3. Factors Affecting Implementation, Performance and Outcomes**

4.3.1. Several factors affected implementation, performance and outcomes. Global oil price trends from 1992-2009 and higher oil revenue probably had a negative effect on the project, whose amount and resources had become relatively insignificant compared to those required in other sectors. The Bank's impact could have been more positive had it closed the project.

4.3.2. Government's poor commitment, weak administrative capacity, bad governance, the late appointment of key staff and staff instability were negative factors that affected project performance.

4.3.3. The project's financial management, the staff allocation, the non-compliance with Bank procedures, the monitoring and preparation of project reports also affected project performance and outcomes. Although its use was inadequate and its scope limited, technical assistance was a partially positive factor. In contrast, poor beneficiary participation in project implementation and the absence of national counterparts were negative factors.

4.3.4. The project's unrealistic implementation schedule, the poor financial management, delays in selecting staff/consultants/service providers and receiving counterpart contributions, the non-availability of sufficient appropriations, and the inadequate understanding of procurement and disbursement procedures had a negative impact on project implementation, despite successive reformulations.

## **5. CONCLUSIONS, LESSONS AND RECOMMENDATIONS**

### **5.1. Conclusions**

5.1.1. Completed nine years behind schedule, the overall performance of the AMPDE Project is highly unsatisfactory. The project did not achieve the expected output of building national capacity in investment programming, project monitoring/evaluation, economic planning, statistics and improving the performance of Bank projects. This very low capacity was improved outside the project, thanks mainly to the efforts deployed by the Government, with the support of development partners.

5.1.2. On-going investment programming was marked by a Public Investment Programme (PIP) and development projects of inadequate quality. Economic policy and planning activities are unsatisfactory to date, while the EG 2020 National Development Strategy is yet to be implemented. Institutional statistics capacity remains inadequate and serious weaknesses persist in the system: retrospective economic accounts unavailable since 1992, 2002 population census data contested, unsatisfactory transparency and dissemination of statistics, and absence of a national statistics development strategy. This unsatisfactory performance stems mainly from the weak human resources of the country and MPDE, and unsatisfactory governance at the project level.

5.1.3. The project's technical assistance needs were not precisely defined. The terms of reference of experts were not precise and too broad, given the limited time assigned them, in a context of seriously inadequate participation of national colleagues and the absence of a knowledge transfer mechanism. Experts recruited by the project did not perform to MPDE's satisfaction. Thus, MPDE drew no benefit from the support.

5.1.4. Training, which was the main component of the project, was a failure. Training plans were prepared but were never implemented, barring four workshops between 1995 and 1997. Weak knowledge transfer considerably limited the sustainability of outputs. The project did not succeed in endowing MPDE with minimum national skills. MPDE staff and their quality have not improved since the nineties.

5.1.5. The project's unsatisfactory management due to bad governance, a weak institutional framework, insufficient human resources and its managers' lack of training on Bank procedures should have pushed the Bank to close the operation by the end of the nineties.

5.1.6. Thanks to high oil production, Equatorial Guinea moved from being a low income country in the early nineties to today's middle-income country status, struggling with inadequate human development. Although needs in terms of building capacity to manage the national economy continue to be huge, they could be financed using more domestic and external resources. However, if the prevailing risk during project implementation is not adequately addressed, the Bank's current and future actions will not bring about the desired changes in the country's economic management capacity.

## **5.2. Lessons**

5.2.1 Analysis and adaptation of capacity-building actions to the implementation context is key to ensuring their success and achieving conclusive outcomes. Similarly, an inadequate assessment of country needs and cursory analysis of institutional and political risk factors may lead to the adoption of an inadequate capacity-building project.

5.2.2 Building national capacity to improve macro-economic management effectiveness through training activities is not an adequate response to enhancing the efficiency of management mechanisms in place. Other actions having to do with improving economic governance and retaining qualified executives in Government departments (salary grades and incentives, institutional governance) should also be considered.

5.2.3 The effectiveness of technical assistance when implementing a macro-economic management capacity-building project depends on the availability of competent national counterparts and the existence of adequate skills transfer mechanisms for ownership of macro-economic management tools.

## **5.3 Key Recommendations**

To remedy the weaknesses noted and consolidate outputs achieved, it is recommended that the following actions be taken:

### **By Government**

- i. Intensify capacity-building in national economy management based on an identification of real needs, considering the thrusts of the EG 2020 strategy and REG's new socio-economic context as an oil-producing MIC with a low human development level;
- ii. Improve economic and financial governance of development projects and create conditions for sound project management through adequate operation of the institutional framework agreed with the Bank, compliance with procurement procedures and appropriate accounting in each project.
- iii. Initiate adequate human resource development policies nationally and in the civil service, including an effective remuneration/incentives scheme and career development system, accompanied with medium-term capacity-building programmes.
- iv. Consider economic management capacity-building as a national priority that must be mainstreamed in development programmes and projects initiated with or without development partners.

### **By the Bank**

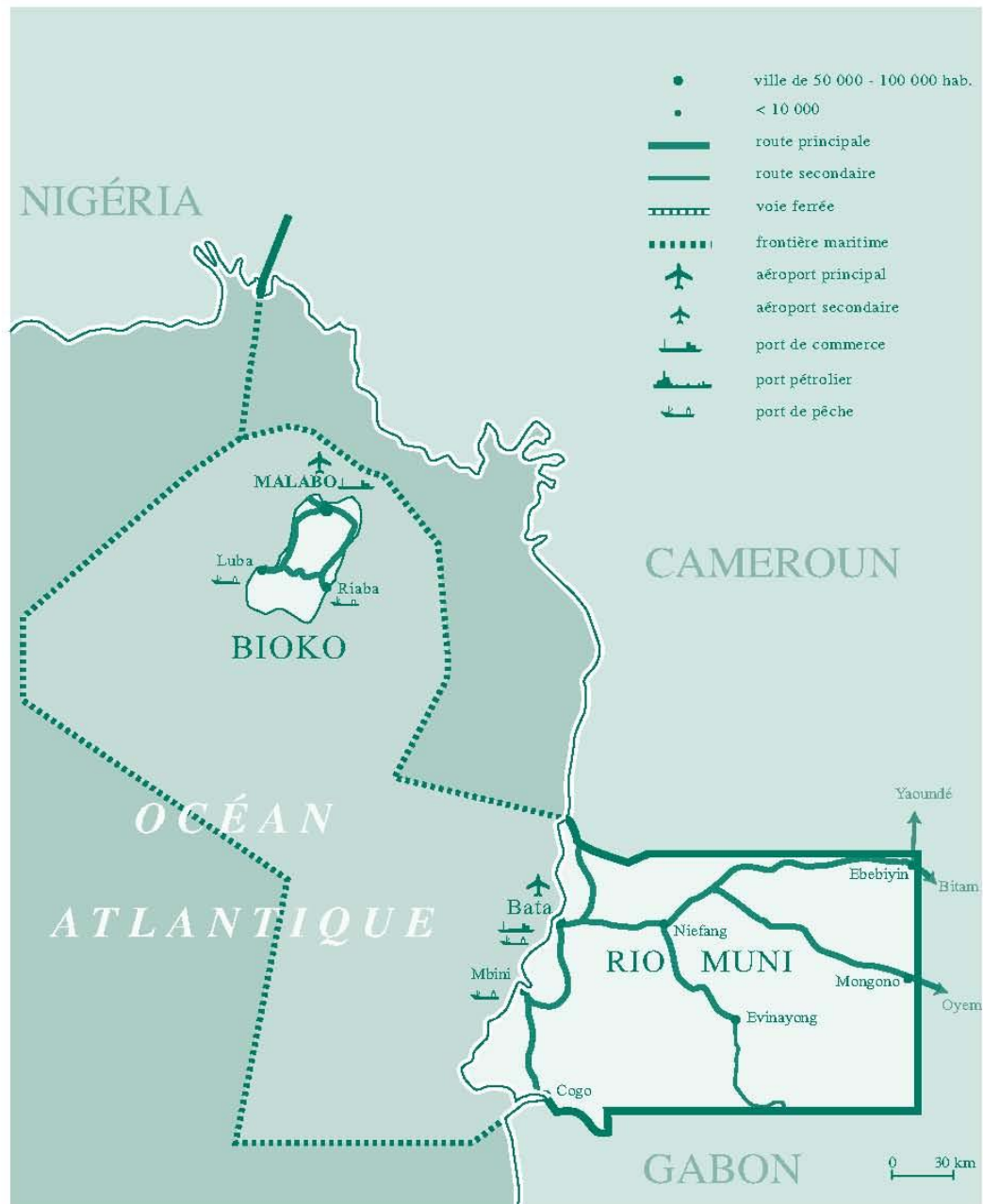
- i. In collaboration with other development partners, support the country by financing capacity-building projects of REG's administrative departments in economic and financial governance, investments programming, planning and statistics (assistance in designing the national statistics development strategy).
- ii. Carefully identify governance problems during the management of capacity-building projects and set up an adequate institutional framework with the Government of REG, while complying with the guidelines of good governance and ownership of capacity-building operations.
- iii. Design operational Bank guidelines in line with the new capacity-building policy/strategy, inspired by best practices of multilateral development banks.
- iv. Insert in all capacity-building operations conditions for transferring skills to national counterparts, while supporting the installation of a system for monitoring/evaluating these operations within the country.
- v. Ensure the strict application of Bank operational guidelines which set forth conditions for closing a project and cancelling a grant or loan<sup>27</sup>.

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<sup>27</sup>Revised Guidelines on Cancellation of Loans, Grants and Guarantees Approved by the Bank Group (ADB/WP/2010/106/Rev.2 – ADF/BD/WP/2010/62/Rev.2 - September 2010)

# **ANNEXES**

# Guinée Equatoriale





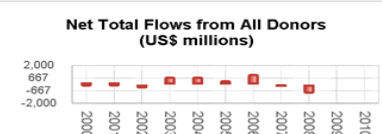
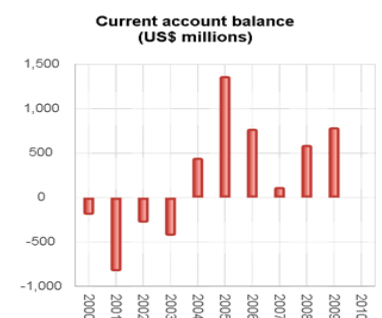
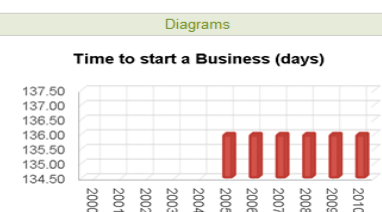
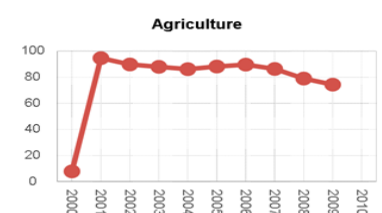
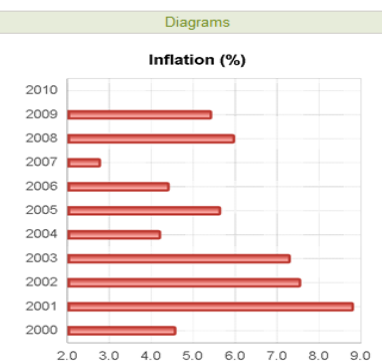
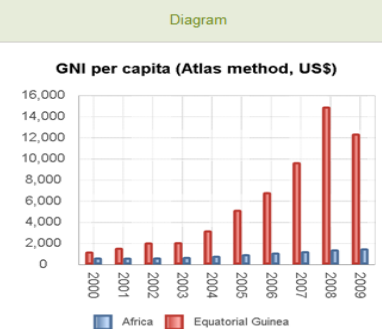
## Equatorial Guinea - Country Profile



Indicators	Equatorial Guinea		Africa	Developing countries	
	Year	Value		Most Recent Year	
<b>Social</b>					
Population, mid-year (millions)	2010	0.7	1,031.5	5,628.5	..
Population growth (annual) (%)	2010	2.5	2.3	1.4	..
GNI per capita (Atlas method, US\$)	2009	12,420.0	1,549.5	2,780.3	..
Urban population (% of total population)	2010	39.7	40.0	44.8	..
Life expectancy at birth (years)	2010	51.0	56.0	65.7	..
Infant mortality (per 1,000 live births)	2010	95.4	78.0	53.1	..
Child malnutrition (% of children under 5)	2000	18.6	31.1	27.0	..
Access to an improved water source (% of population)	2006	43.0	64.9	84.0	..
Illiteracy (% of population age 15+)	2008	93.0	64.8	19.0	..
Gross primary enrollment (% of school-age population)	2009	53.5	77.6	..	..
Male	2009	83.6	106.9	108.9	..
Female	2009	80.1	97.7	104.6	..
Human Development Index	2010	0.5	0.4	0.7	..
<b>Macroeconomic indicators</b>					
GDP (US\$ billions)	1990	2000	2008	2009	2010
	0.1	1.2	16.2	10.8	..
Real GDP Growth Rate (%)	3.3	8.2	11.3	0.5	..
Real Per Capita GDP Growth Rate (%)	-0.1	5.0	8.5	-2.0	..
Gross capital formation (% of GDP)	54.8	61.9	31.3	44.9	..
Gross national savings (% of GDP)	40.1	45.2	36.6	31.3	..
Inflation (%)	0.7	4.6	6.0	5.5	..
Growth of Money Supply, M2 (%)	-52.0	36.2	30.1	17.8	..
Export Growth of Goods, volume (%)	18.8	-23.2	2.3	-7.0	..
Import Growth of Goods, volume (%)	14.5	15.0	50.9	-7.5	..
Terms of Trade (%)	-6.5	118.6	45.8	-33.6	..
Debt Service (% of Exports of G&S)	19.8	0.8	0.1	0.1	..
Current Account (% of GDP)	-14.3	-16.5	3.7	7.3	..
Total external debt (% of GDP)	159.3	36.3	0.7	1.1	..
Average exchange rate (National Currency Per US \$)	272.3	712.0	447.8	489.1	..
Reserves including gold (US\$ millions)	0.7	17.7	2,876.9	2,380.1	..
Reserves (months of imports of goods & services)	0.1	0.2	5.8	6.4	..
<b>STRUCTURE of the ECONOMY</b>					
<b>By sector (% of GDP)</b>					
Agriculture	61.5	7.9	79.0	74.4	..
Industry	10.6	84.3	18.3	23.4	..
Manufacturing	1.6	0.2	0.1	0.1	..
Services	27.8	7.8	2.7	2.2	..
<b>By sector (Annual growth rate)</b>					
Agriculture	0.7	-7.5	2.6	-0.4	..
Industry	3.9	11.9	70.2	39.8	..
Manufacturing	3.8	-1.0	14.4	14.8	..
Services	4.4	32.5	69.7	21.3	..
<b>Private sector development</b>					
Time to start a Business (days)	1990	2000	2008	2009	2010
	..	..	136.0	136.0	136.0
Registering Property (days)	..	..	23.0	23.0	23.0
Paying Taxes - Payments (number)	..	..	46.0	46.0	46.0
Enforcing Contracts - Time (days)	..	..	553.0	553.0	553.0
Protecting Investors - Investor Protection Index (0-10)	..	..	3.7	3.7	3.7
<b>Government finance (% GDP)</b>					
Total revenue and grants	51.1	20.7	48.4	43.3	..
Total expenditure and net lending	56.3	12.1	25.5	37.0	..
Overall surplus/deficit (including grants)	-5.3	8.6	22.9	6.4	..
<b>BALANCE of PAYMENTS</b>					
<b>(US\$ millions)</b>					
Trade balance	-15.4	717.1	10,493.3	5,206.2	..
Exports of goods (fob)	37.8	1,220.9	14,440.2	8,816.7	..
Imports of goods (fob)	53.2	503.8	3,946.9	3,610.5	..
Services balance	-31.3	-549.5	-1,613.3	-1,555.2	..
Net income	7.5	-370.3	-8,226.2	-2,790.9	..
Current account balance	-19.0	-194.4	593.2	791.6	..
<b>BALANCE of PAYMENTS</b>					
<b>(% of GDP)</b>					
Trade balance	-11.6	60.9	64.7	48.1	..
Exports of goods (fob)	28.6	103.7	89.0	81.5	..
Imports of goods (fob)	40.2	42.8	24.3	33.4	..
Services balance	-23.7	-46.7	-9.9	-14.4	..
Net income	5.7	-31.4	-50.7	-25.8	..
Current account balance	-14.4	-16.5	3.7	7.3	..
<b>Financial Flows and External Debt</b>					
<b>(US\$ millions)</b>					
Net Total Flows from All Donors	61.5	21.9	-976.1	..	..
Net Total ODA (Official Dev. Assistance) from All Donors	60.2	21.3	37.6	..	..
Foreign Direct Investment Inflows from All Donors	11.1	154.5	-793.9	1,636.2	..
Total debt outstanding at year-end	212.3	427.5	120.3	115.2	..
Total debt service	8.4	10.1	10.0	5.8	..

Source: ADB Statistics Department, IMF, World Bank and Regional Member Countries

Last Update: April 2011



## EVALUATION CRITERIA

Project to Support the Ministry of Planning and Economic Development (AMPDE/Equatorial Guinea)			
No.	Indicator Components	Score (1 to 4)	REMARKS
1	<b>Relevance and Quality at Entry</b>	<b>2</b>	<b>Unsatisfactory.</b>
i)	Adherence to the country's overall development strategy.	3	AMPDE derives its relevance mainly from its support to the 1992-95 Economic Policy Framework Paper (PFP) of the Government, which benefited from the IMF's ESAF 1993-1996 and the Bank's SAL 1993-1994, and its alignment to its capacity-building objectives. It aims to: (i) improve human resources through training; (ii) strengthen macro-economic policy implementation tools; and (iii) provide the necessary equipment.
ii)	Adherence to the Bank's assistance strategy.	3	AMPDE was in line with the Bank's capacity-building policy for the low-income country that Equatorial Guinea was at the time of the appraisal, expressed particularly in the CSP 1996-1998. Its revenue having grown tremendously ever since thanks to oil, Bank policy changed in the 2004-2006 and 2008-2012 CSP. Equatorial Guinea is now considered an MIC eligible for loans. The appraisal report and the 1999 and 2002 reformulated projects did not take adequate consideration of the impact of the oil boom.
iii)	Macro-economic policy	-	N.A.
iv)	Sector policy	2	Institutional support to MPDE was relevant by strengthening programming, planning and statistics capacity. The 2002 reformulation could have redesigned the assistance modalities.
v)	Government policy reform	1	The linkages between MPDE capacity-building and public finance and civil service reforms should have been further established.
vi)	Poverty reduction	2	The initial project had no provision for specific poverty reduction action. Subsequently, following project reformulation, the project contributed to the poverty profile, but a consultation initially planned did not take place.
vii)	Social and gender equality	-	N.A.
viii)	Environmental concerns	-	N.A.
ix)	Human resource development	2	Training is the project's key component but the conditions for its success were not in place. The effects of growing competition between the oil sector and other sectors to employ national skills was neither taken into account nor envisaged. The reform of the inadequately staffed civil service was not raised.
x)	Institutional development	2	AMPDE paid special importance to strengthening MPDE's institutional capacity, but did not take advantage of possible support contributions to the project in line with the overall objectives of MPDE and the Government.
xi)	Private sector development	-	N.A.
xii)	Regional economic integration	2	The question of regional integration (which is important for the country) was broached only indirectly, when the possibility of using executives from the sub-region was raised.

<b>Project to Support the Ministry of Planning and Economic Development (AMPDE/Equatorial Guinea)</b>			
<b>No.</b>	<b>Indicator Components</b>	<b>Score (1 to 4)</b>	<b>REMARKS</b>
xiii)	Quality at entry	1	The project's quality at entry is marked not only by its unclear objectives but also by the lack of specificity regarding the expected outputs, the insufficient resources and time allocated for obtaining them, the absence of a project logical framework and inadequate analysis of risks and mitigative measures. The review under-estimated the shortage of human resources and did not perceive the risk of poor assessment of needs in light of the country's circumstances. The risk of failure of the training component was not identified whereas the attainment of set objectives largely depended on trained senior staff. Changes due to the oil boom could have been better identified and understood during project reformulation. The same holds for induced risks, particularly those linked to the possibility of the Dutch syndrome.
xiv)	Other (specify)	-	N.A.
<b>2</b>	<b><u>Achievement of objectives and outputs ("Effectiveness")</u></b>	<b><u>1</u></b>	<b>Highly unsatisfactory due mainly to the failure of the project's two key components – training and technical assistance</b>
i)	Outputs	<u>1</u>	Equipment was put in place, sometimes late: computers, printers, photocopiers, vehicles. They were not always used for the purposes intended. They are broken down and obsolete. Most expected outputs were not achieved.
ii)	Strengthening of conditions for improving the quality of MPDE's services	1	The proposals made by the "Study on building the forecast, planning and resource management capacity of Government departments in REG" were not considered in-depth by the ministry, which deemed them unsatisfactory. Training and technical assistance failed. The trained and experienced executives of MPDE have left MPDE for greener pastures. The human resources of MPDE have not grown since the nineties.
iii)	Improved effectiveness and performance of Bank Group projects, based particularly on CCSO	1	Projects approved by the Bank during the 1990s did not achieve satisfactory results.
iv)	Strengthening of MPDE's capacity to design, implement and evaluate economic and social development plans in REG	1	Project evaluation is often cursory and no assessment is carried out on how plans designed outside the project are implemented.
v)	Improved reliability of socio-economic and macro-economic statistics	2	Limited contribution (in varying degrees) to obtaining DGSCN/MPDE's expected statistical outputs. The Government deemed as unsatisfactory the performance of the statistics expert who was to help MPDE diagnose the statistics and national accounting system, due to the insufficient work and failure to transfer knowledge in the absence of national counterparts.
vi)	Contribution to improving the public investment programme (PIP) quality	1	Suppression of the position of investment programming expert. Investment programming continues to be marked by poor quality PIP.
vii)	Contribution to improving the socio-economic situation of REG	1	Social indicators are lower than the continental averages. REG continues to be confronted by a problem of transparency in public resource management, corruption and serious lack of capacity in Government departments.
<b>3)</b>	<b>Efficiency</b>	<b><u>1</u></b>	<b>Highly unsatisfactory</b>
i)	<u>Economic rate of return</u>	-	N.A.

Project to Support the Ministry of Planning and Economic Development (AMPDE/Equatorial Guinea)			
No.	Indicator Components	Score (1 to 4)	REMARKS
ii)	<u>Financial rate of return</u>	-	N.A.
iii)	<u>Cost-effectiveness indicators (specify....)</u>	1	Efficiency was deemed highly unsatisfactory overall. The AMPDE Project was completed 9 years behind schedule. Wastage was recorded. Several training sessions not held had been the subject of bid invitations, multiple negotiations and contacts which were not conclusive due to unfamiliarity with Bank procedures or Government's last-minute decisions to cancel such sessions. Such cancellations forced the Bank to not recover advances made or paid as compensation. The project expert's inability to use Spanish and agents' unfamiliarity with French reduces the project's efficiency.
4	<b><u>Impact on institutional development</u></b>	<b><u>1</u></b>	<b>Highly unsatisfactory</b>
i)	<u>National capacity</u>	<u>1</u>	Highly unsatisfactory
	- Economic management	1	The slow progress recorded in planning, investment programming and statistics had little impact on economic management. Efforts are being made to improve public management, with the assistance of IMF, which led to the first outputs.
	- Statistics	1	Statistics capacity remains insufficient. More reliable statistics for macro-economic planning needs were produced and published at the DGSCN during and after the tenure of the statistics expert, but these works cannot be attributed to the project.
	- Investments programming	1	Institutional capacity for investment programming and project analysis remained weak at MPDE and in ministries; AMPDE did not contribute to the progress observed. Investment programming continues to be marked by poor quality Public Investment Programme (PIP).
	- Economic planning and economic policy	1	The project did not furnish all the expected outputs that would contribute to improving economic planning activity, due to the failure of two components – training and technical assistance.
	- Civil Service reform	N.A.	
	Governance	1	The project had no impact on governance. Efforts should be made to improve economic governance in the country, as shown by the CPIA indicators (WB and ADB) and other governance indicators available
	Sector capacity	1	MPDE's inadequate capacity was described. Generally, the planning units of ministries lack sufficient resources and their coordination is not ensured or done with difficulty. The institutional framework envisaged by the 2007 National Conference is yet to be put in place.
ii)	<u>Executing agency</u>	1	Highly unsatisfactory
	Policy/planning analysis	1	The impact of the PIU was weak
	Management control and audit	1	The project was audited only once in April 2005. Progress in management was very inadequate.
	Training/ skills development	1	The training programmes scheduled were not conducted or had

<b>Project to Support the Ministry of Planning and Economic Development (AMPDE/Equatorial Guinea)</b>			
<b>No.</b>	<b>Indicator Components</b>	<b>Score (1 to 4)</b>	<b>REMARKS</b>
			little impact.
	Technology transfer	1	Knowledge transfer was marginal. Project partners or beneficiaries are not in place.
	Staff management (and staff rotation)	1	Project staff members are no longer in place. Partners have dispersed and the experience acquired during the project is not applied.
	Information management system	1	The CSP 2008-2012 indicates that ministries do not have an information, staff management, planning and organization system.
	Financial, budgetary, processing and maintenance systems	1	Weaknesses of public accounting rules, the budgetary process and public procurement procedures.
	Restructuring of the entity	1	The last restructuring of PIU (which is no longer in place) was a failure.
<b>5</b>	<b><u>Sustainability</u></b>	<b><u>1</u></b>	<b>Highly unsatisfactory due to the limited nature of outputs obtained</b>
i)	Technical viability	1	The persistently weak human resources and capacity is a major handicap
ii)	Borrower's lasting commitment	2	Support to enhanced planning was granted by the 2007 National Conference which maintained the PNDES and EG 2020 thrusts, and a corresponding institutional framework. However, unsatisfactory governance might limit the scope of commitments taken.
iii)	Socio-political support	1	Poor governance performance and low salaries are a handicap to socio-political support.
vi)	Institutional arrangements	2	The institutional arrangements of the project were not effective. However, PNDS/EG 2020 made provisions for a favourable institutional framework for MPDE planning, whose effective implementation is a challenge because of unsatisfactory governance.
Viii)	Resistance to external factors	2	The country is very exposed to: (i) oil price fluctuations, (ii) the global economic situation; and (iii) the regional economic and political situation.
<b>6</b>	<b>Overall performance indicator</b>	<b><u>1</u></b>	<b>Highly unsatisfactory</b>

**Project to Support the Ministry of Planning and Economic Development  
(AMPDE/Equatorial Guinea)**

**BORROWER'S PERFORMANCE**

<b>Project to Support the Ministry of Planning and Economic Development (AMPDE)</b>		
<b>Indicators Components</b>	<b>Score (1 to 4)</b>	<b>Remarks</b>
1. <u>Preparation quality:</u>	2	Government identified capacity-building needs to support its Economic Policy Framework Paper (1992-95), and helped in the project's formulation while preparing a study financed by the EEC. Although it participated in the identification, preparation and appraisal process conducted by the Bank, it did not prepare conditions for the adequate start-up and success of the project, particularly following the 1999 and 2002 reformulation. It underestimated the shortage of human resources at MPDE, participated in defining an unsuitable institutional framework and failed to create conditions for improved governance.
2. <u>Implementation quality</u>	1	The project was completed 9 years behind schedule. The PIU staff and counterparts rotated too frequently. Technical assistance staff were recruited late or not at all. PIU did not perform all its management functions, including financial ones, and had no autonomy in its work because of interference from supervisory authorities. Allocations were under-utilized despite the long project period.
3. <u>Enforcement of agreements</u>	<u>1</u>	The terms of the loan agreement, particularly Bank procurement and audit rules, were not followed. PIU lacked autonomy and the project's institutional framework was not operational.
4. <u>Adequacy between monitoring/evaluation and submission of reports</u>	<u>1</u>	Project monitoring reports were not drafted. Only one audit was performed in 13 years. An incomplete unofficial completion report of the Government is available. CCSO's contribution to improving Bank projects efficiency remained very limited.
5. <u>Satisfactory operations (where applicable)</u>	-	N.A.
<b><u>Overall Borrower Performance (Donee)</u></b>	<b>1</b>	<b>Borrower's (Donee's) performance highly unsatisfactory</b>

**Project to Support the Ministry of Planning and Economic Development  
(AMPDE/Equatorial Guinea)**

**BANK PERFORMANCE**

<b>Component Indicators</b>	<b>Score(1 to 4)</b>	<b>Remarks</b>
Identification stage	3	Following Government's March 1992 request, an identification mission confirmed the magnitude and contents of MPDE's capacity-building needs, in conjunction with development partners.
Preparation stage	2	The project's preparation is based on an MPCPI study financed by the EEC and discussions with the Government. Preparation underestimated the shortage of human resources, risk of bad governance and failure of the training component.
Appraisal stage	2	The project was reviewed following the appraisal mission of August 1992. The appraisal report is relevant but it under-estimated MPDE's lack of human resources. Furthermore, its quality at entry is unsatisfactory in terms of comprehensively defining expected outputs, identifying a sufficient number of relevant indicators, designing a logical framework, determining precise technical assistance needs in response to specific tasks, identifying risk and mitigative measures. The selected institutional framework distinguishes (albeit inadequately) the orientation and management functions of the PIU, showing that the project's management problems were under-estimated.
Supervision stage	2	Nineteen (19) supervision missions were conducted in 13 years, but were too few at the start of the project and were generally of insufficient duration. They strove to establish the PIU's work schedule but did not make an adequate contribution to problem-solving. In particular, project closure should have been given closer attention.
<b><u>Review of overall Bank performance</u></b>	<b>2</b>	<b>Bank performance is unsatisfactory</b>

**FACTORS AFFECTING IMPLEMENTATION PERFORMANCE AND OUTCOMES**  
 Factors affecting positively (+) or negatively (-) the implementation and achievement of key objectives  
 (Source: Revised Guidelines for Drafting the PCR and PPAR Review Note)

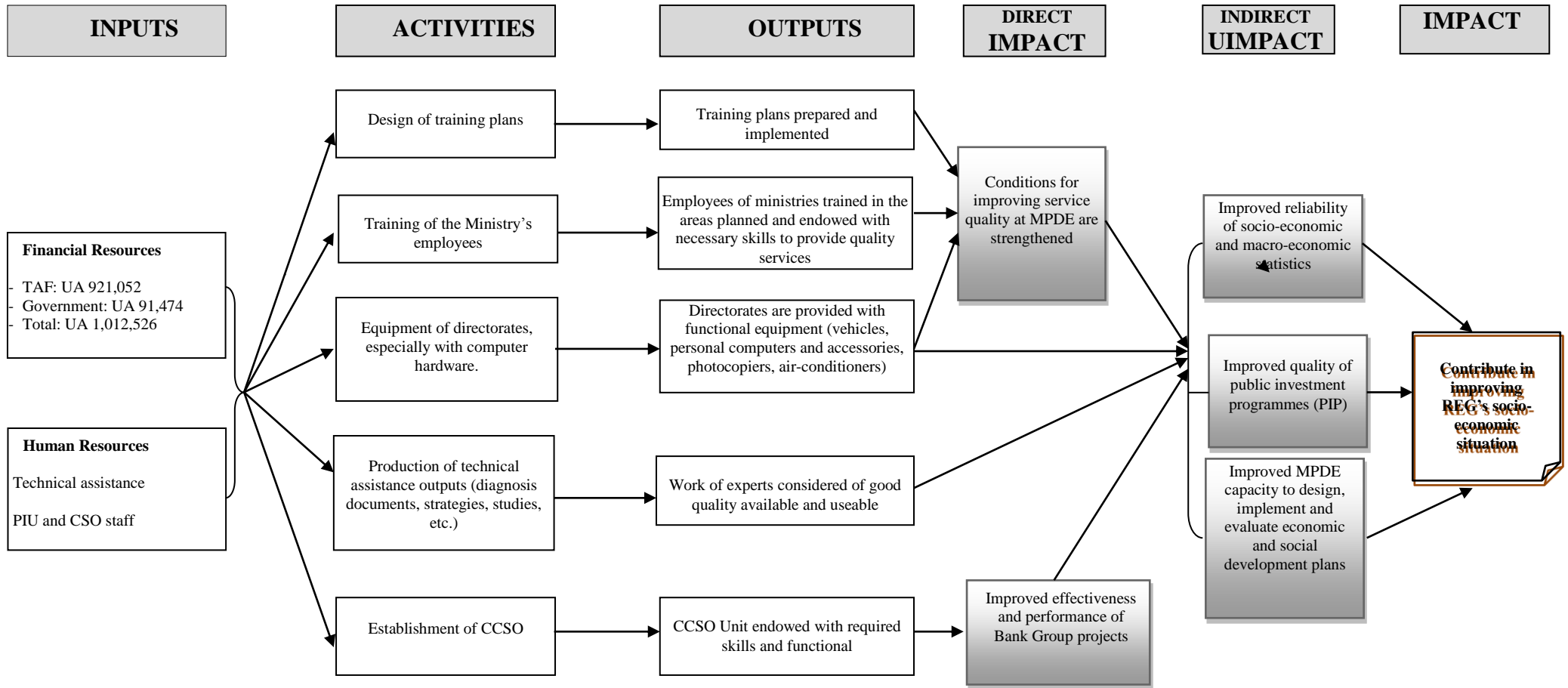
Factors	Substantial	Partial	Negligible	N.A.	Remarks
<b>1. Eluding the control of the authorities</b>					
1.1 Global prices (oil)	+				
1.2 Natural events			-		
1.3 Bank performance		+			
1.4 Performance of contractors/ consultants		+			
1.5 Civil war				-	
1.6 Others (specify) Regional situation		+			
<b>2. Under State authority</b>					
2.1 Macro-economic policies		+			
2.2 Sector policies		+			
2.3 Government's commitment			+		
2.4 Appointment of key staff	-				
2.5 Counterpart contribution			+		
2.6 Administrative capacity		-			
2.7 Others (specify) Governance	-			-	
<b>3. Within the executing agency's competence</b>					
3.1 Management	-				
3.2 Staffing	-				
3.3 Use of technical assistance		+			
3.4 Monitoring/evaluation	-				
3.5 Beneficiaries' participation			+		
3.6 Others (specify)				-	
<b>4- Factors affecting implementation</b>					
4.1 Modification of project's magnitude/reach/design (reformulation)		+			
4.2 Over-estimation/under-estimation of material inputs, basic unit costs			+		
4.3 Insufficient provisions for contingencies				-	
4.4 Changes in exchange rate, financial and institutional arrangements		+			
4.5 Unrealistic implementation schedule	-				
4.6 Management quality, inclusive financial management	-				
4.7 Delays in selecting staff/ consultants/contractors and in receiving counterpart contributions	-				
4.8 Ineffective procurement and disbursement procedures		-			
4.9 Others (specify)				-	

<b>MATRIX OF RECOMMENDATIONS AND MONITORING ACTIONS OF THE PPAR AMPDE/EQUATORIAL GUINEA</b>		
<b>Main Observations and Conclusions</b>	<b>Recommendations</b>	<b>Responsibility</b>
Thanks to its high oil production, Equatorial Guinea moved from being a low-income country in the early 1990s to its current status of a middle-income country with inadequate human development. Although its capacity-building needs in terms of managing the national economy continue to be huge, they can now benefit from increased domestic and external financing.	Further strengthen capacity to manage the national economy and identify the relevant capacity-building needs, taking greater account of EG's new socio-economic context - an oil-producing MIC with low human development, based on the orientations of the EG 2020 strategy.	Government
	Impart to REG the experience that the Bank has garnered building capacity in countries undergoing socio-economic transformations due to sudden oil wealth or other factors, and having achieved tangible results in governance.	ADB
The overall performance of the AMPDE Project (completed nine years behind schedule) is unsatisfactory. The expected outputs in terms of building institutional capacity for investment programming, projects monitoring/evaluation, economic planning, statistics, training, and improved performance of Bank projects, were not achieved. This unsatisfactory performance was caused mainly by the shortage of qualified human resources in the country and at MPDE, and unsatisfactory governance at project level.	Insert a capacity-building programme in the Bank strategy in REG, taking into account the risk linked to the country's economic governance.	ADB
The project's very unsatisfactory management is due to: its poor governance; weak institutional framework; insufficient human resources; and its managers' lack of training in Bank procedures. Added to that is Government's failure to comply with institutional arrangements, Bank management rules and the PIU's duties. The Bank's flexibility with regard to the project's closing was not to its advantage.	Design and monitor the country governance profile	ADB
The project's capacity-building needs were not thoroughly defined. The experts' terms of reference were too broad and over-ambitious, given the limited time allowed them in a context of very insufficient participation of national colleagues and failure to organize knowledge transfer. The MPDE was not satisfied with the performance of experts recruited by the project.	During current and future capacity-building projects, ensure the availability of national colleagues in case of technical assistance. Furthermore, provide for skills transfer mechanisms.	ADB

<b>MATRIX OF RECOMMENDATIONS AND MONITORING ACTIONS OF THE PPAR AMPDE/EQUATORIAL GUINEA</b>		
<b>Main Observations and Conclusions</b>	<b>Recommendations</b>	<b>Responsibility</b>
<p>Training, the main project component, failed. Training plans were prepared but not implemented, barring four workshops between 1995 and 1997.</p> <p>The project did not succeed in endowing MPDE with minimum national skills. The MPDE staff numbers and quality have stagnated since the 1990s. This situation of inadequacy is due to: (i) the shortage of qualified human resources in the country particularly for the qualifications sought; (ii) the low civil service salaries and; (iii) stiff competition from sectors on the hunt for skilled labour.</p>	<p>Nationwide and in the civil service, support adequate human resource development policies including a scheme of effective remuneration, incentives and career development, accompanied by a medium-term capacity-building programme.</p>	Government
	<p>Continue making capacity-building a key pillar of the Bank's strategy in REG.</p>	ADB
<p>Investment programming continues to be marked by the poor quality of the Public Investment Programme (PIP) and projects. Economic policies and planning activities conducted until recently are considered unsatisfactory and the national EG 2020 Development Strategy is yet to be implemented. Institutional capacity in statistics is inadequate; its strengthening since 1992 is due to the statistical work of AMPDE implemented this time with the cooperation of other donors. Serious statistical weaknesses remain: retrospective economic accounts unavailable since 1992; 2002 population census data contested; unsatisfactory transparency and dissemination of statistics; and absence of a national statistics development strategy.</p>	<p>Consider national economic management capacity-building as a national priority to be incorporated in all development projects or programmes, whether initiated with development partners or not.</p>	Government
	<p>Continue financing operations to build the capacity of REG Government departments in economic and financial governance, investment programming, planning and statistics (put the SNDS in place).</p>	ADB
	<p>In the country's specific linguistic context and current situation, the Bank needs to strengthen its presence in REG to facilitate communication and the technical support that the country needs.</p>	

**MODEL INTERVENTION LOGIC**

Equatorial Guinea: Institutional Support to the Ministry of Planning and Economic Development (AMPDE)



RETROSPECTIVE LOGICAL FRAMEWORK MATRIX							
Equatorial Guinea: Institutional Support to the Ministry of Planning and Economic Development (AMPDE)							
HIERARCHY OF OBJECTIVES	EXPECTED OUTCOMES	OBJECTIVELY VERIFIABLE INDICATORS				MEANS OF VERIFICATION	ASSUMPTIONS/ RISKS
		Title	Expected	Actual (completion, PCR)	Actual (post-evaluation)		
<b>Goal/sector objective</b>	<b>Long Term Outcomes</b>						
Strengthen Government's capacity to manage the national economy	Contribute to improving REG's socio-economic situation	- Indicators: WB/ADB CPIA; EPP country performance; Governance  - Socio-economic context indicators (poverty rate, illiteracy rate, enrolment rate, life expectancy, etc.)	Not specified  Not specified	Not specified  Not specified	- In 2008, ADB's CPIA was 3.16 (average of ADF countries: 3.42) - Doing Business 2010: 170 <sup>th</sup> position out of 183 countries - 2007 HDI: 118 <sup>th</sup> in 2007 out of 182 countries - Poverty affects 77% of the population. - Life expectancy: 50.8 years in 2006	Reports of Government and international organizations	- Governance progress - PIP quality and implementation level improved
<b>Project objectives</b>	<b>Direct outcomes</b>						
Strengthen MPDE's capacity in investment programming, planning, statistics production and project monitoring/ evaluation	Improved quality of Public Investment Programmes (PIP)	Quality of PIP designed	Highly satisfactory	Highly unsatisfactory	Equatorial Guinea's 2020 Economic and Social Development Plan (PNDES), adopted in 2007 Highly unsatisfactory  - Public Investment Programme (PIP) designed every year, but its quality is highly unsatisfactory  - In 2005, 2006 and 2007, actual PIP expenditure was (in USD million) 846, 1,453 and 2,126, respectively, against 381, 817 and 2,044 expected.	PIP implementation assessment	Governance improved, adequate training received and skills effectively transferred  Stability of employees
	Enhanced reliability of socio-economic and macro-economic statistics	- Quality of statistics - Reduced statistics production timeframes	Not specified	Highly unsatisfactory	Highly unsatisfactory. Some improvements obtained outside the project	Socio-economic and macro-economic statistics	Quality training and effective skills transfer  Stability of employees
	Improved MPDE capacity to design, implement and evaluate economic and social development plans and	- More and better quality planning documents (plans, strategies, etc.) prepared.	Not specified	Unsatisfactory  Highly unsatisfactory	- Unsatisfactory. Many documents were prepared but without significant inputs from the project.  - No plan implementation outcomes	- National and sector plans - Experts' work - Study on building forecast and planning capacity in REG,	- Quality of experts' work - Partners available - Experts' outputs used by national partners and beneficiaries

RETROSPECTIVE LOGICAL FRAMEWORK MATRIX							
Equatorial Guinea: Institutional Support to the Ministry of Planning and Economic Development (AMPDE)							
HIERARCHY OF OBJECTIVES	EXPECTED OUTCOMES	OBJECTIVELY VERIFIABLE INDICATORS				MEANS OF VERIFICATION	ASSUMPTIONS/ RISKS
		Title	Expected	Actual (completion, PCR)	Actual (post-evaluation)		
	projects	- Fewer public projects not compliant with the PIP procedure	Not specified		Highly unsatisfactory. Many projects, decided by the State outside PIP, are periodically inserted therein for regularisation.	AMPDE/ NSCE 2004.	
		- Increase in the number and quality of planning tools	Not specified	Highly unsatisfactory	Highly unsatisfactory. Investment programming and project management manuals are not available.		
		Project effectiveness and performance	Satisfactory	Highly unsatisfactory	- Project appraisal is often summary	Project completion reports	
Strengthen CCSO capacity	Improve the effectiveness and performance of projects financed by the Bank Group	Overall project performance score	Satisfactory	Highly unsatisfactory	Highly unsatisfactory. Three projects – Poverty Reduction, Basic Health Services Strengthening and AMPDE – performed very unsatisfactorily overall.	Bank Group documents: supervision report, mid-term review and completion of projects financed by Bank Group.	- Effectiveness of CCSO - CCSO's financing by the Government at the end of the project
Sustainably endow MPDE with minimum national competence to discharge its missions	- Conditions for improving MPDE service quality are strengthened	- Number and quality of MPDE executives/employees	Not specified	Highly unsatisfactory	- In 2009, MPDE's human capacity had not improved significantly, compared to 1992. DGCSP has only 1 executive and 6 staff; DGPPPI has 3 executives; DGSCN has 8 executives and middle managers and some twenty employees. MPDE's professional capacity in 2004 was somewhat lower than in 1999.	- Study on building REG's forecast and planning capacity, AMPDE/ NSCE 2004. - Study on the Civil Service - Documents of ADB, WB and other international organizations	- Adequate use and maintenance of equipment - Effective skills transfer
		- MPDE's revised institutional framework	Not specified	Highly unsatisfactory	- Trained and experienced executives of MPDE left MPDE for higher or better paid posts.		
		- Technical guidelines/procedures for the operation of MPDE.	Not specified	Highly unsatisfactory	Highly unsatisfactory		

RETROSPECTIVE LOGICAL FRAMEWORK MATRIX							
Equatorial Guinea: Institutional Support to the Ministry of Planning and Economic Development (AMPDE)							
HIERARCHY OF OBJECTIVES	EXPECTED OUTCOMES	OBJECTIVELY VERIFIABLE INDICATORS				MEANS OF VERIFICATION	ASSUMPTIONS/ RISKS
		Title	Expected	Actual (completion, PCR)	Actual (post-evaluation)		
		- Training plans designed for MPDE	Not specified	Highly unsatisfactory	- Training plans were designed for MPDE departments (DGPPI, DGCSI and DGSCN) but were never implemented and no other workshop was held -		
<b>ACTIVITES</b>	<b>EXTRANTS DU PROJET</b>						
- Design training plans for MPDE	- Training plans for MPDE are prepared and implemented	- List of training plans designed - List of workshops organized - Number of participants at workshops	- Training workshops in Malabo ; - Training for 1-2 years abroad of 7 executives in economics and for 1-9 months of 15 executives in project planning, programming and statistics; study trips.	Highly unsatisfactory	- 4 ADI training workshops held between 1995 and 1997 for 90 ministry employees: 10-26 Oct. 1995, for coordinators, 25 participants; 23 Oct.-3 Nov. 1995 for technicians, 26 participants; 2-15 Dec. 1996, 23 participants; 14-25 July 1997, some twenty participants - Training sessions on planning, programming, statistics, debt management, budget control, accounting not held - A report on MPDE's capacity-building was drafted in 2004 and proposed training programmes that were not considered.	- List of participants - List of seminars	-Workshops and training sessions organized on a timely manner - Training is of good quality - Government support
- Equip MPDE departments	- MPDE departments are equipped	- No. of vehicles - List of equipment	- 4 vehicles, 9 desktop computers, 3 printers, 3 photocopiers	Highly unsatisfactory	- 7 vehicles (+ 3) ; 19 desktop computers (+10) and their accessories, (iii) 5 photocopiers (+ 2) and 11 air-conditioners (+6)	- List of equipment	
- Prepare the tasks of technical assistance experts for MPDE	- Tasks of technical assistance experts for MPDE prepared	- Experts' task list	- Experts' tasks outlined in their terms of reference	Highly unsatisfactory	- Statistics expert/economist. Diagnoses and works poorly used or not used at all. - Development strategy and policy expert: works including the draft Poverty Reduction Strategy Paper were generally poorly used or not used at all. - Other experts: - Skills transfer: marginal or non-existent	- PCR List of contracts - Documents prepared and finalized by technical assistance	
- Put in place a functional CCSO unit	- A CCSO unit functional	- Overall performance of three ADB projects	- Improvement of their efficiency supported by CCSO since 1999.	Highly unsatisfactory	- A functional but ineffective CSO unit - The AMPDE Project completed 9 years behind schedule	- Project performance	

<b>RETROSPECTIVE LOGICAL FRAMEWORK MATRIX</b> Equatorial Guinea: Institutional Support to the Ministry of Planning and Economic Development (AMPDE)							
<b>HIERARCHY OF OBJECTIVES</b>	<b>EXPECTED OUTCOMES</b>	<b>OBJECTIVELY VERIFIABLE INDICATORS</b>				<b>MEANS OF VERIFICATION</b>	<b>ASSUMPTIONS/ RISKS</b>
		Title	Expected	Actual (completion, PCR)	Actual (post-evaluation)		
					- No improvement of their efficiency.		

## Equatorial Guinea: Institutional Support to the Ministry of Planning and Economic Development (AMPDE)

**AMPDE/EQUATO GUI. PPAR REVIEW MATRIX**

NATURE OF THE ISSUE	REVIEW QUESTIONS		CRITERIA FOR JUDGING	INFORMATION AND INDICATORS	MEANS OF VERIFICATION	METHODS
	QUESTIONS	SUB-QUESTIONS				
<b>Relevance and quality at entry</b>	1. Up to what point will the Bank prioritize capacity-building in REG?	1.1 To what extent does the capacity-building content of CSPs reflect the capacity-building needs of REG?	Level to which capacity-building and REG's development strategies and policies are reflected in CSPs since 1992, and particularly since 2000	Issue of capacity-building in REG's CSP	REG's policy document and strategies - REG's CSP - Other Government and Bank documents on capacity-building.	Assembly of documents, literature review, working sessions and interviews
		1.2 How have the capacity and capacity-building needs of beneficiaries changed?	Existing capacity and capacity-building needs of beneficiaries, 1992- 2009	Number, qualification and distribution of human resources (including executives and women) Allocations for capacity-building		
		1.3 To what extent did the Bank align the AMPDE objectives to those of REG's programmes?	Alignment of Government's objectives and AMPDE objectives	Adequacy between the project objectives with REG's programmes and strategies		
<b>Effectiveness</b>	2. What is the quality of project design, particularly that of risk appraisal and coping strategies?	2.1 What is the level of adaptation of instruments implemented?	- Instruments implemented - Country ownership of the project	- List of instruments - Method of fixing objectives and indicators - Degree of commitment in its implementation and monitoring	Min. of Planning, Min. of Finance; beneficiaries; ADB Field Office; ADB CSPs; Bank's Fragile States Strategy (2008) : Preparation, appraisal and completion report) 2008 Paris Declaration Monitoring Surveys- OECD. AMPDE completion reports Other reports of Government and development partners	Gathering of documents, literature review, working sessions and interviews
		2.2 Is the quality of risk analysis and mitigative measures adequate in the light of risks identified or not identified by the project?	- The main risks and corresponding mitigative measures identified or not identified during project design, and quality of analysis (limits and relevance).	Main risks and mitigative measures		
		3. To what extent did coordination with bilateral and multilateral partners contribute in obtaining the outputs sought?	Coordination of key partners in REG	- Interventions of development partners - Paris Declaration implementation indicators and level of coordination		
<b>Effectiveness</b>	4. To what extent did Bank assistance under the project contribute to strengthening MPDE's investment programming?	4.1 To what extent did the project contribute to strengthening investment programming capacity?	- Organization and actual distribution of investment programming missions and tasks	Organic laws and official implementing instruments of appropriation bills and public finance (2004)	Min. of Finance, Government, ADB, IMF, WB, UNDP ADB CSP and projects, PCR, PIP, 2004 NSCE/AMPDE Capacity-Building Study and	Literature review, documentary review, working

NATURE OF THE ISSUE	REVIEW QUESTIONS		CRITERIA FOR JUDGING	INFORMATION AND INDICATORS	MEANS OF VERIFICATION	METHODS
	QUESTIONS	SUB-QUESTIONS				
			<ul style="list-style-type: none"> <li>- Training of executives and agents in investment programming</li> <li>- Methodological tools and resources</li> </ul>	<p>Decrees and instruments on the organization of MPDE, the Ministry of Finance and the Ministry of Economy</p> <p>Role of the planning units of ministries</p> <p>Putting in place of a Public Procurement Code</p> <p>Streamlining of State budget expenditure commitment and settlement procedures</p> <p>Methodological documents for investment programming</p> <p>PIP</p> <p>State of PIP implementation</p>	<p>other project reports</p> <p>Reports of Government, ADB IMF, WB</p>	<p>sessions</p> <p>interviews,</p> <p>site visit,</p> <p>questionnaire</p>
		4.2 To what extent did the project contribute to improving investment programming outputs?	<p>Quality, production timeframe, past and current use of indicators and reports on investment programming, particularly PIP (Public Investment Programme) and project appraisal report.</p>			
	5. To what extent did the project contribute to facilitating economic planning	5.1 To what extent did the project contribute to improving the organization of economic planning?	<ul style="list-style-type: none"> <li>- Organization and actual distribution of economic planning missions and tasks</li> <li>- Training of executives and employees on economic planning</li> <li>- Methodological tools and resources</li> <li>- Diagnostic studies</li> </ul>	<p>Laws and implementing instruments of appropriation bills and public finance (2004)</p> <p>Decrees and instruments on the organization of MPDE, Min. of Finance/ Economy;</p> <p>Organization and role of sector planning units</p>	<p>Min. of Planning, Min. of Finance, Government, ADB, IMF, WB, UNDP, CSP and ADB projects, PCR PIP, 2004 NSCE/AMPDE Capacity-Building Study and other project reports, plans and programmes, other Government, ADB, IMF, WB reports</p>	<p>Collection of documents,</p> <p>literature review,</p> <p>working sessions</p>
	6. To what extent did the project contribute to building capacity to produce and process statistics?	6.1 To what extent did the project contribute to enhancing capacity to process and analyse statistical data?	<p>Organization and distribution of economic planning missions and tasks</p> <ul style="list-style-type: none"> <li>- Training of executives and employees on economic planning</li> <li>- Methodological tools and resources</li> </ul>	<p>May 2001 Statistics Law and implementing instruments on the organization of statistics</p> <p>Availability of an SNDS</p> <p>List of methodological documents for statistics and their use</p> <p>Statistical surveys conducted</p>	<p>Min. of Planning, Min. of Finance, Government, ADB IMF, WB, UNDP CSP and ADB projects, PCR, Capacity-Building Study, 2004 NSCE/AMPDE and other project reports</p> <p>Statistical publications and surveys</p> <p>Other Government, ADB, IMF, WB reports</p>	<p>Collection of documents,</p> <p>literature review,</p> <p>working sessions</p>

NATURE OF THE ISSUE	REVIEW QUESTIONS		CRITERIA FOR JUDGING	INFORMATION AND INDICATORS	MEANS OF VERIFICATION	METHODS
	QUESTIONS	SUB-QUESTIONS				
			-Diagnostic studies	Statistics indicators Statistical documents and studies prepared, and their consistency guaranteed Use of statistics for monitoring plans and programmes		
		9.2 To what extent did the project contribute to improving statistics outputs?	Quality, production timeframes, past and current use of statistical outputs			
	7. To what extent did Bank assistance contribute to sustainably endowing MPDE with skills?	7.1 How many executives were trained with the project support for MPDE since 1992?	Executives trained	Number of executives trained for MPDE since 1992 with the project's support Number of executives trained per year with the project's support who stay in MPDE Annual trend and distribution of MPDE executives by department	Min. of Planning, Min. of Finance, Government, ADB IMF, WB, UNDP CSP and ADB projects, PCR, Capacity-Building Study NSCE/AMPDE 2004 and other project reports Statistical publications and surveys	Collection of documents, literature review, working sessions
	8. What is the unexpected impact of the project?	8.1 Identify the project's unexpected impact	Scale of unexpected impact	List of unexpected project impact	Other Government, ADB, IMF and WB reports	
	9. What is the progress towards the project's general development objectives, in the context of the country?	9.1 Economic and socio-economic level	Macro-economic and socio-economic indicators	Macro-economic and socio-economic indicators Macro-economic and socio-economic indicators CPIA management and governance indicators, corruption indicators, report; dependence on assistance (GDP %)		
<b>Efficiency</b>	10. Were project outcomes obtained at a cost that matches forecasts and is comparable to observed good practices of the Bank?	10.1 Are the assigned human resources compliant with the standards of other similar Bank projects?	Human resources. Human resources recruited on project financing, including international experts (number and specialties, forecast and achievement).	Quantity and cost of human resources. Human resources recruited on project financing, including international experts (number and specialties, expected and actual).	Project Coordination Unit and relevant ADB/Government departments	Collection of documents, literature review, interviews

NATURE OF THE ISSUE	REVIEW QUESTIONS		CRITERIA FOR JUDGING	INFORMATION AND INDICATORS	MEANS OF VERIFICATION	METHODS
	QUESTIONS	SUB-QUESTIONS				
		10.2 Does the cost of equipment purchased comply with country or Bank standards?	Equipment, including computer hardware and software, their initial and current allocation and use; expected and actual.	Equipment, including computer hardware and software, their initial and current allocation and use; expected and actual.		
		10.3 Are the financial resources spent lower or higher than expected?	Financial resources mobilized by the project by destination	Amount of funds mobilized by the project by destination and their distribution by donor; expected and actual		
		10.4 Was the project implemented following the expected plan and timeline?	Implementation cost and timeframes	Expected and actual costs Expected and actual project schedules Effective use of equipment and outputs		
	11 What are the possible causes of malfunctions?		Reasons for malfunctions	List of key reasons		
<b>Sustainability</b>	12 To what extent will the actual and expected project outcomes at evaluation be sustainably maintained?	12.1 To what extent did the project contribute to building beneficiary capacity?	Improved supervision of the relevant departments and stability of executives and employees trained  Equipment for departments concerned available and allocated	Trend and prospects of supervising the departments concerned.  Initial and current assignment of executives and employees trained with the project's support  Monitoring, further training and better professional conditions of trained executives and employees  Trend and prospects of the availability of equipment for the departments concerned.  Initial and current allocation; state of operation of equipment put in place with the support of the project	Government, ADB, Field Office, beneficiaries, development partners Beneficiaries Development partners Reports	Collection of documents, literature review, working sessions, interviews

NATURE OF THE ISSUE	REVIEW QUESTIONS		CRITERIA FOR JUDGING	INFORMATION AND INDICATORS	MEANS OF VERIFICATION	METHODS
	QUESTIONS	SUB-QUESTIONS				
				Human, material and financial resources for equipment maintenance and replacement  Salaries		
<b>Impact on institutional development</b>	13. To what extent did the project contribute to progress and changes in standards and practices (institutional capacity, political frameworks) enabling the country to better use its human, financial and natural resources?	16.2 Did the project contribute to the ownership and commitment of nationals?  13.2 To what extent did the project develop the institutional programming, planning capacity and policy frameworks envisaged at the appraisal stage?  13.3 To what extent did the project strengthen institutional statistics capacity and policy frameworks envisaged at the appraisal stage?	Financial resources of the departments concerned  Development of collaboration with national partners and development partners	Evolution of financial resources of the departments concerned  Development of collaboration with national and international partners.	Government, ADB, Regional Office, beneficiaries, development partners Reports of Government and development partners	Collection of documents, literature review, working sessions, interviews
<b>Borrower performance</b>	14. To what extent did local partners and beneficiaries share the responsibility of accountability for implementation and outputs	14.1 To what extent did local partners participate in project design, implementation and monitoring?  14.2 To what extent did the project create new partnerships that facilitate the achievement of outcomes?	Participation of local partners and beneficiaries  New partnerships	Number and quality of partners. Local partners and beneficiaries participated in project design, implementation and monitoring  Number and quality of new partnerships	Ministry of Finance, Ministry of Planning, ADB, Regional Office Reports of Government and development partners.	Collection of documents, literature review, working sessions, interviews
<b>Bank performance</b>	15. To what extent did the Bank play its role in all phases of the project cycle?	15.1 To what extent did the Bank play its role in project identification, preparation, appraisal, start-up and supervision?  15.2 To what extent did the Bank play its role in the project's post-appraisal period?	Bank's commitment  Bank's commitment	Degree of Bank commitment to each of its project phases and quality of documents produced  Bank monitoring and preparation of new activities	Ministry of Finance, Ministry of Planning, Regional Office and other Bank departments concerned, development partners, PCR and other relevant Government and Bank reports.	Collection of documents, literature review, working sessions, interviews

NATURE OF THE ISSUE	REVIEW QUESTIONS		CRITERIA FOR JUDGING	INFORMATION AND INDICATORS	MEANS OF VERIFICATION	METHODS
	QUESTIONS	SUB-QUESTIONS				
	16. Did the project management limit the inefficient use of the project's human, financial and material resources?	16.1 To what extent did the use of resources comply with Bank rules and policies?	Appraisal and audit reports and documents	Appraisal and audit findings	Ministry of Finance, Ministry of Planning, Regional Office and other Bank departments concerned, development partners, PCR and other relevant Government and Bank reports.	Collection of documents, literature review, working sessions, interviews
		16.2 Were local organizations and staff prepared in implementing Bank rules and procedures?	Training in Bank rules and procedures.	List of training sessions and number of people trained		

Institutional Support to the Ministry of Planning and Economic Development/REG  
(AMPDE/REG)/PPAR

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