

## **Management Action Record on OPEV evaluation of the project completion reports (2008-2009)**

Management welcomes the evaluation by OPEV on the project completion reports (PCR) submitted between 2008 and 2009. The evaluation period coincides with the introduction of the revised guidelines and format for the preparation of the PCR. It therefore provides a good basis for assessing the early impacts of the revised guidelines and a strong foundation for a more comprehensive impact evaluation downstream.

In particular, management notes the following key findings from the evaluation:

***Project completion reporting compliance and quality.*** Management acknowledges the evaluation findings that changes introduced in PCR reporting in 2008 have led to improvement in compliance with submission requirements and in quality of the reports. It recognizes also the needs to further raise the performance bar on both timeliness and quality, and in particular the dissemination of lessons learned.

***Project performance.*** The evaluation findings indicate modest performance of projects that exited the portfolio during the period under study. It shows that about 58 percent of these projects had a Satisfactory or better development objective rating and that only in about half of these operations

are achievements expected to last. The performance of both the Bank and the borrowers were also found to require more attention, although the Bank performance was slightly better (50 % Satisfactory) than the borrowers (only one third satisfactory). The evaluation notes that while these results raise legitimate concerns about capacity needs assessment and development; it does cover old operations in the Bank's portfolio that had not benefited from a number of reforms recently introduced by the Bank.

***Timeliness of the PCR review.*** The PCR review process normally conducted by OPEV has also significantly improved with the introduction of the new guidelines and format. Management notes that additional scope exists for improving the review process and reducing the dichotomy between the overall PCR ratings and the ratings of individual quality criteria.

Management concurs with the overall conclusion that the information from the PCR should be more systematically synthesised and shared Bank-wide as part of the Bank's knowledge products. This will facilitate learning and integration of lessons and best practices into new operations. Specific responses to the evaluation recommendations are presented below.

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Key OPEV recommendations	Management's response and proposed actions
<p><b><i>Recommendation 1:</i></b></p> <p>Enhance support for monitoring and evaluation (M&amp;E) capacity development for Borrowers and in the Bank, especially with regard to improving human capacity and strengthening project M&amp;E systems and results management.</p>	<p><b><i>Agreed.</i></b> Management will continue to strengthen M&amp;E capacity by undertaking following actions:</p> <p>ORQR is developing an integrated practical / job-oriented training program for Task Managers focused on project design and monitoring. Training modules will cover new or enhanced operational quality assurance tools including: quality at entry, log frame, project implementation progress and results reporting (IPR) and project completion reporting (PCR). Training sessions will be conducted in selected field offices over 2011-2013.</p> <p>EADI will continue to provide training in support of RMCs capacity for results-based monitoring and evaluation.</p>
<p><b><i>Recommendation 2:</i></b></p> <p>Publicize examples of good practice, with attention to lessons learned on all aspects of project performance, including M&amp;E.</p>	<p><b><i>Agreed.</i></b> With a view to better learning from the successes and failures of Bank operations, starting in 2012 and upon updating / revision of the completion reporting guidelines and templates, exemplary PCRs and PCR practices will be identified and disseminated bankwide in the same way as good practices in project design.</p> <p>The integration of lessons learnt in new operations is already considered as one QaE dimension under the readiness review—the Bank's quality at entry assessment tool for public sector operations.</p>
<p><b><i>Recommendation 3:</i></b></p> <p>Complete work on improving systems for risk analysis at design and preparation of projects and programs and ensure consistent implementation of the changes required.</p>	<p><b><i>Agreed in part.</i></b> OPEV's Recommendation needs to be more specific to be operational and actionable.</p> <p>Risk analysis and assessment are considered at several levels. The revised results-based logical framework highlights risks and mitigation measures as well as</p>

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	<p>dedicated sections of the project appraisal report.</p> <p>Under the new supervisions tool – the IPR - , the methodology for rating the performance of ongoing operations and for integrating the risk factors was considerably enhanced; the emphasis of reporting is put on actions and risk mitigation measures in response to implementation issues.</p> <p>Under the IPR, the practice of annual planning of targets— including expected outputs—and of updating the logframes as may be required to ensure the continued relevance results-orientation of the project, is expected to provide the necessary flexibility in project implementation</p>
<p><b>Recommendation 4:</b></p> <p>Review the new PCR format with a view to adopting MDB-ECG operational definitions of key rating criteria of project outcomes, efficiency, borrower performance, and risk to development effectiveness.</p>	<p><b>Agreed.</b> ORQR has planned to coordinate the review of PCR format and guidelines in 2011 to make them fully consistent with other bank operational tools including the QaE assessment through the readiness reviews, the simplified results-based logical framework, and the IPR. Criteria mentioned by OPEV will be considered in the revised reporting modalities keeping in mind the fundamental distinction between progress reporting at project completion and post-evaluation of operations.</p>
<p><b>Recommendation 5:</b></p> <p>Continue monitoring PCR timelines and requirements, while ensuring that adequate budget resources are allocated to operations complexes.</p>	<p><b>Agreed.</b> Compliance with the PCR timeliness will continue to be monitored. In particular, ORQR will continue to send monthly reminders of PCRs due and provide performance feedback to the relevant operational Departments on a quarterly basis. Eventual changes and improvements in the current mechanisms for monitoring timeliness will be considered during the review of PCR guidelines and formats (recommendation 4 above).</p>

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<p><b><i>Recommendation 6:</i></b></p> <p>Improve the effectiveness of Management review process of PCR quality.</p>	<p><b><i>Agreed in part.</i></b> OPEV's recommendation needs to be more explicit to be actionable. The effectiveness of the PCR review process will be considered under the revision of the PCR guidelines and formats (recommendation 4 above). ORQR will work with sector departments to this effect.</p>