

**AFRICAN DEVELOPMENT BANK
AFRICAN DEVELOPMENT FUND**



BANK GROUP RESULTS MEASUREMENT FRAMEWORK

Quality Assurance and Results Department

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Acronyms and Abbreviations

AfDB	African Development Bank
ADF	African Development Fund
ADER	Annual Development Effectiveness Review
COMPAS	Common Performance Assessment System
CSI	Core Sector Indicator
ESTA	Statistics Department
ESW	Economic and Sector Work
M&E	Monitoring and Evaluation
MDB	Multilateral Development Bank
MfDR	Managing for Development Results
NTF	Nigerian Trust Fund
OPEV	Operations Evaluation Department
PCR	Project Completion Report
RO	Regional Operations
RMC	Regional Member Country
RMF	Results Measurement Framework
RB	Results Brief
RRS	Results Reporting System
RS	Results Scorecard

I. INTRODUCTION

- 1.1. The purpose of this paper is to describe the African Development Bank (AfDB or Bank) Group's Results Measurement Framework (RMF) for 2010-2012. The paper proposes a streamlined results reporting mechanism -the Annual Development Effectiveness Review and its quarterly summary, the Results Scorecard- designed to give the Bank periodic information about its performance toward programmed results and create opportunities for timely corrective action. It also describes the Results Reporting System that will serve as a unified platform to track progress implementing the RMF.
- 1.2. The proposed RMF is a corporate tool to monitor progress toward the vision described in the Bank's Medium-Term Strategy 2008-2012. The RMF is a flexible tool that can filter information by variable (financing window, financing instrument, subregion, country, and sector) to suit the Bank's internal and external reporting needs. The RMF and its reporting mechanisms aim to make the Bank's corporate practices more consistent by:
 - consolidating and streamlining various reporting frameworks that cover different dimensions of development effectiveness; and
 - harmonizing the AfDB's RMF with the results measurement frameworks of other multilateral development banks (MDBs).
- 1.3. The proposed RMF is a device to further Management efforts to spread a results culture across all levels of the institution. It will focus attention and shed light on key issues, giving the Bank an additional lens through which it can focus on its strategic priorities. The RMF will assist Management and Board members alike in carrying out a number of functions: reviewing progress in improving the quality, performance, and effectiveness of projects at entry, during implementation and at completion; analyzing trends in performance; exploring the relationship between enhanced organizational effectiveness and improved development effectiveness; and identifying areas that appear to underperform.

Box 1: Defining and Measuring a Culture of Results

In his book *“Instruction to Deliver. Fighting to Transform Britain’s Public Services”*, Sir Michael Barber defines a culture of results with five key words: ambition, focus, clarity, urgency and irreversibility.

Ambition: ambition refers to bold ideas, boldly executed. It is the opposite of muddling through. A culture of results has a constant expectation of success measured by change on the ground, at the frontline.

Focus: delivering results requires sustained prioritization. It demands consistent focus on the targets and the data that show what progress is being made. But the targets, however good, and the data, however clear, are only imperfect representations of something even more important: that is, the real-world outcomes that matter to citizens. The central focus therefore should be on the solutions and on the real-world changes we are aiming to achieve.

Clarity: refers above all to clarity of diagnosis. How secure is our knowledge? It is about confronting the brutal facts and making sure that they are indeed facts. And in the search for a solution, identifying where the best practice is. Management needs to be clear, at any given moment, what impact their strategy is having.

Urgency: is about achieving results now. It is the opposite of incremental and slow. It is about looking for a means of speeding things up; knowing fast what is going on, and identifying and solving problems as they arise or preferably before.

Irreversibility: means not giving up until you have achieved your intended results. It requires courage and determination, integrating delivery and communications, erring on the side of rigor, and, above all, following through until you delivered results.

Like many other experts, Barber recommends that progress towards a culture of results be initially measured through qualitative assessments and then, over time, incorporate a set of quantitative indicators that can be meaningful for a given organizational context.

II. A “ONE BANK” RESULTS MEASUREMENT FRAMEWORK

- 2.1. Over the past few years, the AfDB Group has made steady improvements in using RMFs to assess the performance of all three of its financing windows: the AfDB, the African Development Fund (ADF), and the Nigerian Trust Fund (NTF). Although instrumental for their own purposes, these RMFs do not account for all the transformations and intermediate milestones that occur in the process of translating Bank Group inputs into country results. The “One Bank” RMF presented in this paper is founded on the tenet that **planning, monitoring and assessing results is a continuum across all areas and sectors of the institution**. While retaining the flexibility to report on the results achieved by the Bank’s different financing windows, this framework recognizes that most of the steps taken in transforming Bank inputs into country results are common to the institution as a whole.
- 2.2. Traditionally, MDBs have centered their reporting systems on public sector investment operations. Investment operations have a clear set of inputs, are implemented through a planned project cycle, and disbursed against measurable milestones and expenditures. Furthermore, their outputs actualize before the project ends. Historically, investment operations have been single-country operations, as opposed to regional operations (ROs), which have been growing in number in recent years. Programmatic project documents and evaluation practices were thus initially developed to fit this traditional model of investment operations. Over the past few years, the Bank and its partners have made significant efforts to tailor their mechanisms to policy-based operations, ROs and operations that finance the private sector. Furthering these efforts, the proposed RMF includes indicators to **measure policy-based operations, ROs and private sector operations as part of a single reporting framework that covers all Bank interventions**.

- 2.3. The Bank, like other development partners, has centered its reporting on aggregating *outputs* across projects and countries.¹ This is to date the most accepted practice across all MDBs because output indicators are straightforward to quantify and easy to aggregate. Aggregating outputs allows the Bank to give stakeholders an estimate of results that are produced *directly* by Bank operations. The proposed RMF goes one step further: it incorporates a set of intermediate outcomes that can be linked to Bank interventions.² Aggregating intermediate outcomes across projects and countries has a significant limitation: most outcome indicators represent gross program effects, i.e., they do not estimate the *net* results of Bank interventions. But they provide a more comprehensive *approximation* to the real impact Bank operations can have over time. **By combining output and intermediate outcome reporting in one single framework, the proposed RMF offers a sense of whether the Bank's support is ultimately effective at promoting sustained development in regional member countries (RMC).**
- 2.4. The Bank's principal instrument for aggregating the outputs and outcomes of its operations is the Project Completion Report (PCR). PCRs report the main results achieved through Bank interventions and briefly describe the process that led to those results. Over the past few years the Bank has made unprecedented improvements in delivering timely completion reporting, setting the foundations for a solid results reporting system (Box 2). But since PCRs are produced upon project completion, a significant portion of the results (particularly the outputs) achieved by the Bank through its ongoing operations is not covered by corporate reporting. Although operations take five to seven years to complete, many development outputs are produced at different stages of their implementation. By refocusing implementation support on assessing progress toward results, and by entrusting sector departments to proactively track Core Sector Indicators (CSIs), the new RMF **reports on both ongoing and closed operations**, providing a more accurate picture of the Bank's contributions to results at any point in time.

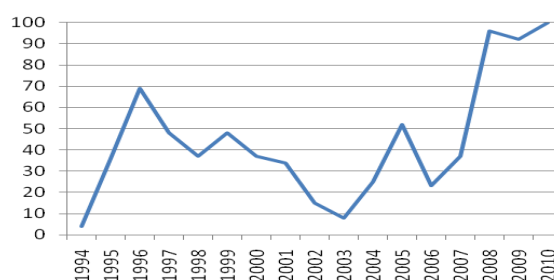
¹ Output indicators measure the quantity of goods and services produced and the efficiency of production (e.g., the number of people trained, the time required to open a business).

² Intermediate outcome (or project outcome) *indicators* measure the broader results achieved through the provision of goods and services: they often reflect beneficiaries' actual use of such goods and services (e.g., the crop yield in the project area) in the short run. Intermediate outcomes indicators are a subset of outcome indicators that measure the necessary preconditions, or facilitators, for the successful attainment of ultimate country outcomes (e.g., increasing growth rates, declining mortality rates). As opposed to country-wide outcomes, intermediate outcomes refer to results achieved within each project's geographical area of intervention.

Box 2: Setting the Foundations of a Results Reporting System

Comprehensive completion reporting is the AfDB's basic building block for reporting on the outputs and outcomes of its operations. It is also the best way for the Bank to learn from experience and strengthen the design and quality of new operations. Bank policy has long required that completion reports be prepared for all operations within 6 months of closing. However, it was only after introducing new guidelines and a results-oriented format in 2008 that the Bank improved its performance to an unprecedented degree, achieving 100 percent reporting in the first quarter of 2010.

PCR Coverage (1994-2010)



Valuing reporting as a source of knowledge. Over the years, a persistent backlog of projects with outstanding Project Completion Reports contributed to the widespread view that PCRs were resource-intensive and did not add value to the quality of operations. With the introduction of the new PCR guidelines, the average time required for staff to complete PCRs—from closing to posting—fell from 24 to 6 months. Reductions in processing times have been accompanied by reductions in costs.

Deploying field staff regionally to gain efficiency. Field Offices have assumed a leading role in PCR preparation. The Bank has encouraged transferring the leadership for PCRs to the field and now expects Field Offices to complete 40 percent of PCRs in any given year. Field staff are in the unique position of sharing a balanced perspective on results while recognizing the challenges of implementation. Over the past two years, field staff have been deployed regionally to lead PCR preparation, bridging technical gaps and encouraging inter-country learning.

Focusing on the outputs and outcomes of Bank operations. Along with the new guidelines, an innovative 10-page PCR format that focuses primarily on project outputs and outcomes was introduced. This format has been instrumental in changing descriptive, process-centered completion reports into analytical assessments of the Bank's effectiveness at contributing to country results. The change has allowed the AfDB to quantify and aggregate the outputs and outcomes of its closed operations across countries and sectors.

- 2.5. **The main purpose of the RMF is to foster flexible decision-making, encourage learning through adaptation, and better allocate resources throughout the institution.** Accomplishing these goals will improve results on the ground. Adapting existing reporting systems and introducing new features to better trace results are not ends in themselves but are rather the means to an end: making the Bank more effective at delivering products and services to its RMCs. The essential change is a change in mindset: from centering on programming inputs and then analyzing their likely results, to focusing on desired country outcomes and then identifying the inputs, activities and project outputs needed to produce those outcomes. As explained in Box 1, fostering a results-mindset or a “culture of results” means creating an environment in which inquiry, candor, evidence and learning are seen as essential to good management.

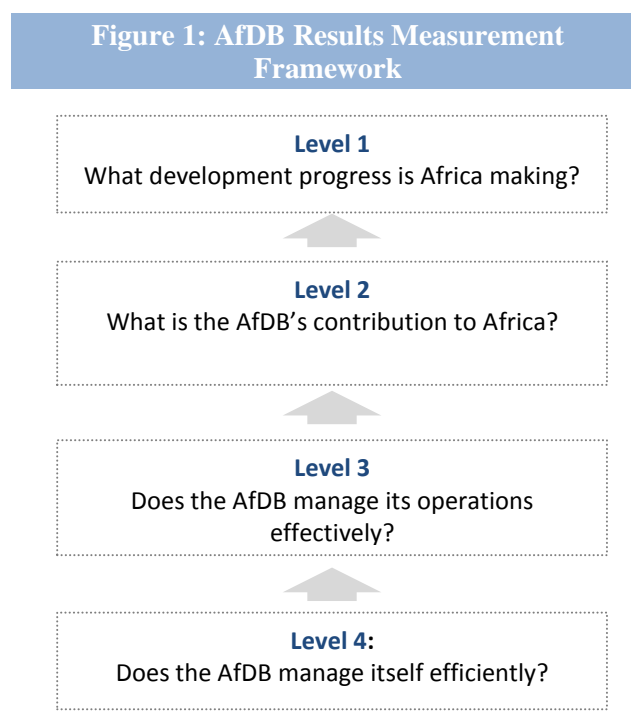
III. A CORPORATE MANAGEMENT TOOL

- 3.1. The “One Bank” RMF is a management tool to monitor the institution’s progress in executing its Medium-Term Strategy 2008-2012. The Medium-Term Strategy defines the Bank’s development goals and objectives, the outcomes necessary to attain them, and the principles and instruments of engagement. Similarly, the Medium-Term Strategy describes the Bank’s areas of sectoral focus, which are based on the Bank’s comparative advantage, and specifies how the Bank can best use its instruments to carry out its mandate. From a results perspective, the Medium-Term Strategy defines the **strategic priorities with which all the Bank’s operations, systems and business processes must be aligned**, and on which all results planning, management, monitoring and assessment frameworks must explicitly focus.
- 3.2. The new RMF is a comprehensive tool to understand how all the elements of the Medium-Term Strategy (priority areas, principles, and instruments) are linked and how the work of different departments and units transform these elements into a cohesive set of results. Specifically, the new RMF:
 - allows users to assess consistency between strategic planning and operations;
 - permits users to check that operational areas (programs and projects at the regional and country levels) are matched with the appropriate business processes (procurement and human resources);
 - provides information with which staff can proactively monitor and assess performance at all levels of the results chain; and
 - encourages the use of information about results to improve decision-making and foster learning.
- 3.3. Management will ensure that key results areas at the Complex, Department and Division levels are closely aligned with AfDB-wide priorities as reflected in the RMF. This will enable the AfDB to mainstream informed decision making by regularly monitoring data on results and assessing issues and lessons learned.
- 3.4. Because information about results informs key Management decisions, it needs to be accurate. The Bank’s independent evaluation department (OPEV) will increasingly check the Bank’s reporting at all levels to ensure the consistency and robustness of the data. Through independent evaluation, OPEV enriches and contextualizes the information captured at all levels of the RMF. OPEV selectively evaluates individual Bank operations to assess whether the operations actually produced the intended results, whether the results were achieved efficiently, and the extent to which the results led to the impacts desired. It also evaluates operational practices and business processes to highlight areas of successful functioning and areas in need of solutions.

IV. A COHESIVE VIEW OF BANK PROCESSES AND RESULTS

- 4.1. The RMF is organized into **four levels that capture all the stages through which Bank inputs are transformed into country results** (Figure 1). Level 1 consists of indicators that represent development outcomes to which the Bank is seeking to contribute in countries in the region. These outcomes cannot be attributed to the AfDB alone; they result from the collective action of countries and development partners. Tracking the outcomes is important, however, because the outcomes indicate the development goals to which AfDB operations aim to contribute. Level 2 contains indicators measuring the AfDB’s key sector outputs and intermediate outcomes. They represent the AfDB’s tangible contribution to the development

outcomes identified in Level 1. Level 3 contains indicators for monitoring the AfDB's operational effectiveness. Improvements at this level can lead to better delivery and higher quality of outputs, enabling the Bank to enhance its contribution to development outcomes through all of its financing windows. Level 4 indicators aim to capture progress on internal reforms and processes. This progress permits the Bank to use its human resources more efficiently and improves the Bank's overall capacity to provide effective services to regional member countries.



- 4.2. As part of the international partnership on aid effectiveness, development agencies are taking sizeable steps to make it easier for countries to achieve better, longer-lasting results. Global dialogue on results monitoring is helping harmonize approaches, policies and procedures at both the agency and the country level, thus reducing the cost to developing countries of producing data to feed the reporting needs of various institutions. As part of these efforts, the Bank's RMF is largely harmonized with the results measurement frameworks of the International Development Association and the Asian Development Bank. In this way, it contributes to the harmonization and alignment commitments of the Paris Declaration on Aid Effectiveness.
- 4.3. Other development partners, such as the Inter-American Development Bank, the Islamic Development Bank and the European Bank for Reconstruction and Development are **converging toward a common MDB methodology that tracks progress along the entire results chain**, from agency institutional inputs to high-level country outcomes. Naturally, Level 1 indicators are deeply harmonized because they track countries' progress toward internationally agreed goals. Level 2 indicators are significantly harmonized, but differences remain as a result of agencies' different strategic focuses and comparative advantages. Level 3 indicators are part of the international consensus on the relevant measures to assess the health of portfolio management and are therefore common to all agencies. Conversely, Level 4 indicators are agency-specific and reflect each institution's unique reform agenda.

Level 1: What Development Progress is Africa Making?

- 4.4. The first level of the RMF tracks the region's development progress through selected regional outcomes to which AfDB contributes. These outcomes cannot be attributed to AfDB alone; the Bank is one of many development partners that assist national governments in their journey toward better development outcomes. No evidence suggests that any result achieved at this level is the direct contribution of any given development partner. Indeed, country results are undoubtedly in great part the product of a country's will and determination to develop. The Bank nevertheless monitors these developments as part of its results framework because **they provide a horizon for assessing the effectiveness of the Bank's services to RMCs.**
- 4.5. Twenty-six country outcome indicators were retained to assess RMCs' progress toward high-level development results (Table 1). Aligned to the Bank's current and future operational priorities as summarized in the Medium-Term Strategy, the indicators cover the following areas: (i) growth and poverty reduction; (ii) governance and transparency; (iii) regional integration and trade; (iv) private sector development and the investment climate; (v) infrastructure development; (vi) gender and human development; (vii) fragile and conflict-affected countries; and (viii) clean energy. Most indicators are harmonized with the indicators of the Bank's development partners, having emerged through consensus within the international development community.
- 4.6. Data reported on Level 1 of the RMF are provided by the Bank's Statistical Department (ESTA). Country and economy-wide data are usually collected periodically from special evaluations, surveys and national sources that rely on pre-existing sources of data. Many development partners specialize in the collection of specific themes or sectors. In the Bank, ESTA systematizes and classifies these data before storing it in the Bank's Data Platform.

Table 1: Indicators for Development Outcomes in Africa (Level 1 of the Results Measurement Framework)

INDICATORS*	BASELINE		
	Year	African Countries	of which ADF countries
Growth and Poverty Reduction			
GDP per capita (2000 constant USD)	2009	896	405
Population living below \$1.25/day (PPP) (%)	2005	51.4	53.6
Income Inequality (GINI Index) (%)	2005	42	42.1
Governance and Transparency			
Public expenditure & financial assessment score (1 to 7)	2008	3.2	3.1
Worldwide governance indicators avg. score (-2.5 to 2.5)	2008	-0.8	-0.95
Extractive industries transparency index (% compliance)	2009	33.3	40.0
Regional Integration and Trade			
Africa's share of global trade (%)	2008	n.a	3.4
Inter African trade (Dollars billion)	2008	1,015	43
Private Sector Development and Investment Climate			
Cost required for business start-up (% of GNI per capita)	2009	107.8	n.a
Time required for business start-up (days)	2009	40.8	n.a
Global competitiveness index ranking (1 to 7)	2009	3.6	3.4
Staple crops yield index (2002 value = 100)	2008	110	108
Infrastructure Development			
Access to improved water source (% population)	2008	64.9	57.5
Access to all-season roads (% of rural population)	2006	43	35
Household electrification rate (% of households)	2008	40	28.5
Fixed lines & mobile phone subscribers (per 1,000)	2008	408	283
Internet users (per 1,000)	2008	67	42
Access to improved sanitation facilities (% population)	2008	41.0	28.2
Gender & Human Development			
Under-five child mortality (per 1,000 live births)	2009	130	145
Ratio of girls to boys in primary and secondary school (%)	2007	87	86
Primary school completion rate (%)	2007	64	54
Employment to population gender indicator (index)	2007	n.a.	0.74
Maternal Mortality (per 100000 live births)	2009	677	813
Fragile and Conflict-Affected Countries			
Average CPIA (Avg. CPIA)	2008	n.a	2.71
Number of Fragile Countries (CPIA<3.2) (countries)	2005	20	20
Clean Energy			
Combustible renewable and waste (% of total energy)	2007	41.9	78.8

*Gender-disaggregated data for all relevant indicators will be reported in the first Annual Development Effectiveness Review (ADER).

Level 2: How Does the AfDB Contribute to Africa's Development?

- 4.7. The AfDB contributes to development outcomes on the continent by financing operations and providing technical assistance that respond to country needs. The Bank assesses its contribution to country and regional outcomes by aggregating key outputs and intermediate outcomes delivered to RMCs through its projects in all sectors of intervention.
- 4.8. In order to systematically track and report on the Bank's contributions to development outcomes in core priority areas, the Bank issued in May 2010 its *Guidelines for the Use of Core Sector Indicators*, which established core indicators for all the Bank's areas of intervention (Table 2): (i) transport, power, and information communications technology; (ii)

water supply and sanitation; (iii) regional integration; (iv) climate change and clean energy; (v) education, health and social protection; (vi) economic and financial governance; (vii) private sector operations; and (viii) agriculture.

- 4.9. A significant number of CSIs will track gender-disaggregated data (see indicators in blue in Table 2). Over the past few years, the Bank has stepped up its commitment to addressing issues pertaining to the economic integration and development of women across all areas of the portfolio. Like the actions of many other development partners, the Bank's actions on gender are evolving from focusing mainly on social sectors to considering gender components in a growing number of areas. Thus, Level 2 gender-disaggregated indicators span sectors such as transport, water, climate change and private sector development, as well as the more traditional social sector. More importantly, because CSIs are tracked throughout the project cycle, they will help mitigate a weakness that is common to the gender programs of many of the Bank's development partners: the fact that gender components receive significantly more attention during the design of an operation than during its implementation and supervision. Finally, by monitoring these RMF indicators, **the Bank will be in a position to report on its contribution to women's empowerment by operational sector, subregion and country of intervention.**
- 4.10. CSIs are standardized indicators used in project logical frameworks (logframes) to measure the most recurrent outputs and intermediate outcomes achieved through Bank operations. Drawing upon best practice in comparable institutions, the Bank did not seek to *describe* all of its contributions to development results but rather identified a limited number of indicators. These indicators were selected by Sector Departments because they provide a snapshot of their actual contributions to higher-level outcomes that they can match with relevant data within a relatively short period of time, without setting up an array of complex and resource-intensive data collection systems (Box 3).

Box 3: Using Sector Department's Best Judgment on Measuring their own Results

CSIs were developed through an extensively participatory approach. Staff reviewed project appraisal reports, PCRs and sector strategies of the last few years, with a view to compiling a long list of indicators that had been most frequently used in Bank operations. Based on this list, task teams from each sector proposed a shorter list of CSIs for Management's consideration. Each list was then refined, agreed upon and endorsed by Sector Directors in sectoral workshops in which all sector staff participated. Both the final list of indicators and the present guidelines also reflect inputs from the Bank Economic Complex and OPEV. The CSIs thus represent each sector's best judgment of how to measure progress toward the development objectives of its operations.

In choosing CSIs, Sector Departments were guided by three main considerations. First, CSIs had to be easy to measure. Accordingly, CSIs represent a compromise between what the Bank would like to measure and what the Bank can actually measure. Second, CSIs had to measure results that could be directly linked to concrete Bank interventions. Finally, CSIs had to measure outputs and outcomes that corresponded to the Bank's operational priorities as articulated in its Medium-Term Strategy. The final set of CSIs therefore reflects both feasibility of measuring and reporting, and each sector's current strategic focus.

- 4.11. CSIs are subject to regular monitoring as part of project supervision. They are aggregated across projects and countries to facilitate corporate reporting. While the Results Reporting System (see section 5) is not yet operational, Sector Departments are already responsible for tracking aggregate results at the sector level. They prepare a Sector Note on Results once a year to compare programmed outputs and outcomes with actual results for all CSIs relevant to their sector. This note is complemented by a Country Note on Results that is prepared by

Regional Departments to assess progress toward Country Strategy Papers' intended results. Both notes will serve as the basis for reporting on the results of ongoing operations in the new Annual Development Effectiveness Review described in section 5. They will be completed with PCRs' assessments of the results of closed operations.

Table 2: Bank Group Core Sector Indicators Level 2)

Transport, Power and Information Communications Technology	
<ul style="list-style-type: none"> Households, businesses or community facilities served with access to modern/improved energy (<i>number</i>) People that can access all season public transportation within 2 km of their homes, of which are female (<i>number, percentage</i>) Traffic accidents and mortality along the transport project (<i>number per year</i>) Households, businesses or community facilities served with access to information technology (<i>number</i>) Household expenditures devoted to energy (<i>monthly amount</i>) Household expenditures devoted to transport (<i>monthly amount</i>) 	<ul style="list-style-type: none"> Household expenditures devoted to information technology (<i>monthly amount</i>) Average speed for goods and for passengers along the transport project, from origin to end (<i>km/h</i>) Roads constructed or rehabilitated, of which are rural (<i>km</i>) Roads in good and fair condition as a share of total classified roads (<i>percentage</i>) National citizens employed in the construction, operation and maintenance of the infrastructure project, of which are female (<i>number per month, percentage per month</i>) Broadband networks built or rehabilitated (<i>km</i>) Non-renewable power output capacity (<i>mw</i>)
Water Supply & Sanitation	
<ul style="list-style-type: none"> People with access to improved drinking water sources, of which are female (<i>number, Percentage</i>) People with access to improved sanitation, of which are female (<i>number, Percentage</i>) Additional potable and non-potable (for irrigation) water production capacity at a community water point (<i>liters</i>) New piped household water connections (<i>number</i>) Additional or rehabilitated sewage treatment capacity (<i>liters</i>) 	<ul style="list-style-type: none"> New household sewer connections (<i>number</i>) New on-site sanitation measures (individual, grouped) (<i>number</i>) People educated through hygiene programs, of which are female (<i>number, percentage</i>) New collective bodies (committees, associations, groups) formed to manage the use of water responsibly of which include women as members (<i>number, percentage</i>)
Regional Integration	
<ul style="list-style-type: none"> Cross-border transmission lines constructed or rehabilitated (<i>number, km</i>) New telecommunication networks that serve more than one country (<i>number</i>) Cross-border railways constructed or rehabilitated (<i>number, km</i>) 	<ul style="list-style-type: none"> Time spent to clear a truck at the border (<i>minutes</i>) Cross-border roads constructed or rehabilitated (<i>number, km</i>) Amount of road maintenance needs financed by the Bank (<i>percentage</i>)
Climate Change and Clean Energy	
<ul style="list-style-type: none"> People trained in climate resilient agricultural practices, of which are female (<i>number, percentage</i>) Agriculture-related climate resilient interventions (<i>number</i>) Railways constructed or rehabilitated (<i>km</i>) 	<ul style="list-style-type: none"> Renewable power output capacity installed (<i>mw</i>) Surface of Forest protected, reforested or rehabilitated (<i>ha</i>)
Education, Health and Social Protection	
<ul style="list-style-type: none"> People employed in small scale and artisan enterprises, of which are female (<i>number,</i> 	<ul style="list-style-type: none"> Classrooms and laboratories constructed, renovated, and/or equipped (<i>number</i>)

<ul style="list-style-type: none"> percentage) • People enrolled in tertiary education, of which are female (<i>number, percentage</i>) • People trained in basic microfinance and business skills, of which are female (<i>number, percentage</i>) • People served by micro-finance institutions, of which are female (<i>number, percentage</i>) 	<ul style="list-style-type: none"> • Teachers trained as a result of project intervention, of which are female (<i>number, percentage</i>) • Health workers trained, of which are female (<i>number, percentage</i>) • Health facilities constructed, renovated, and/or equipped (<i>number</i>)
Economic & Financial Governance	
<ul style="list-style-type: none"> • Time to start a business (<i>number of days</i>) • Share of private sector credit to total credit provided in the country (<i>percentage</i>) • Time it takes for an enterprise to pay taxes (<i>number of hours per year</i>) • Time it takes for the Executive to submit the Budget to the Legislature relative to the start of the fiscal year (<i>number of days</i>) 	<ul style="list-style-type: none"> • Number of contracts awarded on the basis of open competition as a percentage of all contracts awarded in a given year (<i>number, percentage</i>) • Time it takes for the Auditor General to submit the most recent annual audit report on the public accounts to the Legislature (<i>number of months</i>)
Private Sector Operations	
<ul style="list-style-type: none"> • Permanent jobs created by the project (<i>number</i>) • Value of the net financial flows to the government • Share of female permanent employment (<i>percentage</i>) 	<ul style="list-style-type: none"> • Rate of business success
Agriculture	
<ul style="list-style-type: none"> • Crop yield increase (<i>tons/ha</i>) • Land irrigated (<i>hectares</i>) • Post-harvest loss reduction (<i>percentage</i>) • People trained in the agricultural sector, of which are female (<i>number, percentage</i>) 	<ul style="list-style-type: none"> • Crop production increase (<i>tons</i>) • Water mobilized for multi-purpose, including water for agriculture (<i>cubic meters</i>)

Note: Indicators in blue are gender-disaggregated

- 4.12. **The increasing focus on results will require changes in the way the Bank approaches the monitoring of its operations.** At the project level, this will require an increase in the amount of information collected and monitored. Inputs (contracts, disbursements) and outputs will continue to be critical to project implementation, and the bulk of a Task Manager's time is expected to be taken up by traditional project administration. However, TMs are now also being asked to monitor and track intermediate outcomes and to use that information in supervision and completion reporting. The stronger focus on intermediate outcomes will likely change the way monitoring data are collected. As monitoring increasingly focuses on the changes projects have on beneficiary behavior, implementing agencies may need to turn to third parties or to different instruments for information. For example, a road agency may no longer just report on the length of roads being built but may need to monitor the effect the roads have on potential beneficiaries (such as increases in the use of clinics and other social services in urban areas). This would require the road agency to commission a survey or work with other agencies to collect the necessary information. For the Bank, it will require: (i) developing tighter partnerships with other development partners to ensure that each one produces data based on comparative advantages; (ii) identifying champions within Government that are willing to collect and use results information; and (iii) increasing the level of investment in enhancing country monitoring and evaluation systems (Box 4).

Box 4: Enhanced Monitoring and Evaluation in Projects

While the Bank is the first multilateral development bank to agree on a list of Core Sector Indicators for all its sectors, it lags significantly behind other development partners in including solid monitoring and evaluation (M&E) components in its lending operations. An analysis of 60 random projects approved by the Board after 1 January 2008 shows that only 15 percent of operations had satisfactory M&E components. Twenty eight percent of the sample had a budget line devoted to M&E. As part of its efforts to mainstream results reporting in portfolio management, the Bank is committed to step-up its assistance to regional member countries to upgrade their M&E capacity to international standards.

- 4.13. While **the links between Levels 1 and 2 of the RMF can only be reported in specific country settings**, we can illustrate the mechanisms by which investments in Bank priority areas contribute to country outcomes in general terms. Although many outcomes in Level 1 do not appear directly related to sectoral outputs in Level 2, AfDB operations contribute to them indirectly. For example, AfDB's water and sanitation and infrastructure interventions, such as roads, help improve health.
- Bank outputs and intermediate outcomes in transport contribute to: (i) improving access to all-season roads; (ii) increasing inter-Africa trade; (iii) enhancing access to education, especially for women and disadvantaged groups; and (iv) improving access to health facilities, contributing, *inter alia*, to lower maternal and child mortality.
 - Bank outputs and intermediate outcomes in energy help: (i) increase working hours and therefore incomes through rural electrification; (ii) improve the functioning of education and health facilities and their physical conditions; and (iii) develop clean energy sources and combat climate change.
 - Bank outputs and intermediate outcomes in water supply and sanitation contribute to: (i) improving access to clean water sources; (ii) raising agricultural productivity and incomes, especially among poor farmers; and (iii) improving hygiene and health, and helping combat diseases that affect children, thus reducing child mortality.
 - Bank outputs and intermediate outcomes in education help: (i) enhance workers' skills, raising productivity and individual incomes; (ii) reduce gaps in access to and the quality of education, especially for women and the poor; and (iii) raise awareness of good health and hygiene practices, especially for the benefit of mothers and their children.
 - Bank outputs and intermediate outcomes in private sector development contribute to: (i) promoting self-employment and micro-enterprises by giving the poor access to credit; (ii) accelerating private-sector-led growth through better regulatory and legal frameworks; and (iii) attracting investments to Africa, thus raising the continent's share of global trade.
- 4.14. Analyzing the links between Levels 1 and 2 of the RMF underscores the importance of strategy: the overall effectiveness of each Bank's country program will depend on the extent to which all the projects and activities in its portfolio work together toward meeting the objectives established in the Country Strategy Paper (CSP). That is, the vertical links between the projects become operationally critical for the Bank's effectiveness and must be the focus of monitoring at the country level. CSPs provide the information required to contextualize Bank results in order to get an accurate picture of the Bank's actual contribution to development in each RMC.

- 4.15. Individual Bank operations deliver outputs and intermediate outcomes (or project outcomes) that contribute to achieve CSPs' intermediate outcomes (strategic outcomes) which in turn lead to country outcomes. CSPs' outcomes are different from country outcomes; technically they are intermediate outcomes that measure the limited contribution of the Bank's program to the country's long term development. Intermediate outcomes that bridge higher-level outcomes and results directly produced through Bank interventions are needed both in individual projects and in CSPs to close the gap often found between broad overall objectives and specific Bank interventions. Although the list of CSIs presented above shows a limited number of intermediate outcomes, all Bank operations are required to specify all the intermediate outcomes that they intend to achieve.

Level 3: Does the AfDB Manage its Operations Effectively?

- 4.16. Measuring the outputs and intermediate outcomes of Bank operations is not enough to paint a complete picture of the Bank's contributions to development results. To do that, the RMF must monitor the AfDB's evolving capacity to manage for results. Managing operations effectively is an important milestone in the Bank's fulfillment of its mission. **Adequate portfolio management boosts the institution's capacity to contribute to country outcomes** and raises the Bank's overall development effectiveness. Level 3 of the RMF measures operational performance through six categories (Table 3): (i) the quality-at-entry of strategies and operations; (ii) portfolio performance; (iii) aid effectiveness; (iv) knowledge management; (v) gender mainstreaming; and (vi) climate change. These indicators account for project quality at time of entry, during implementation and at completion.

Table 3: Indicators of the Bank's Operational Effectiveness (Levels 3)

INDICATORS	ADB GROUP				Of which ADF	
	Base-line	Target	Base-line	Target	Base-line	Target
	2009	2012	2009	2012	2009	2012
Quality-At-Entry						
Country strategy papers rated satisfactory	(%)	n.a.	95	n.a.	95	
Operations rated satisfactory	(%)	n.a.	95	n.a.	95	
Regional operations rated satisfactory	(%)	n.a.	90	n.a.	90	
Budget support disbursed on schedule	(%)	70	81	60	75	
Elapsed time from approval to 1 st disbursement(months)		12	10	13	11	
Operations that disclose the ESIS on time	(%)	n.a.	90	n.a.	90	
Portfolio Performance						
Operations formally supervised twice a year	(%)	40	60	61	65	
Problem projects in ongoing portfolio	(%)	6	5	6	5	
Disbursement rate of ongoing portfolio	(%)	28	32	18	20	
Operations eligible for cancellation	(%)	13	9	20	10	
Paris Declaration Indicators of effective aid*						
Development resources recorded on budget	(%)	62	85	62	85	
Use of country systems**	(%)	37	53	37	53	
Predictable disbursements	(%)	54	80	54	80	
Number of parallel PIUs	(units)	121	44	121	40	
Knowledge Management						
Exiting projects with a timely PCR***	(%)	91	95	92	95	
PCRs rated satisfactory	(%)	75	80	72	80	
Number of new ESWs and related papers ****	(units)	n.a.	112	n.a.	n.a.	
Gender Mainstreaming						
PCRs with gender-disaggregated data	(%)	54	75	56	75	
New projects and CSPs with at least 1 gender equality outcome/output indicator *****	(%)	n.a.	50	n.a.	50	
Climate Change						
Climate proofed projects*****	(%)	n.a.	15	n.a.	15	

*This indicators are not disaggregated by financing window. Baseline for these indicators is 2007.

**The OECD has just revised the level of ambition for this indicator to a bracket: [53%-57%].

***Targets are higher than those defined for corporate KPIs due to unprecedented improvements in performance during 2009/2010.

**** CSPs related documents include: Mid-Term Review CSPs, updated CSPs and Completion Report

*****The Corporate KPI considers only outcome indicators.

*****Percentage of projects classified as climate sensitive which become climate proofed (their climate resilience is increased by reducing their climate vulnerability).

- 4.17. Most of the indicators included in Level 3 of the RMF were agreed with other MDBs as part of the Common Performance Assessment System (COMPAS) established by the MDB Working Group on Managing for Development Results (MfDR). COMPAS measures MDBs' capacity to apply and improve operational processes toward achieving results on the ground. As a self-reporting exercise, COMPAS aims to measure MDBs' capacity and progress

consistently by analyzing key performance indicators consolidated into a concise and convenient format. COMPAS reports data on eight categories relevant to a given MDB's implementation of an improved MfDR agenda: country capacity to manage for development results, country strategies, allocation of concessional resources, projects, institutional learning from operational experience, results-focused human resource management, harmonization among development agencies, and private sector operations. The Bank uses this information to leverage improvements in its internal capacity and to support dialogue with other MDBs regarding their MfDR achievements.

4.18. The processes monitored at this level directly affect the quantity and quality of outputs and intermediate outcomes (Level 2) produced by the Bank and the Bank's ultimate ability to contribute to long-term country outcomes (Level 1). A few of these relationships are described here:

- The foundations of a project are laid during preparation, before the project enters the portfolio. **Operations with good quality-at-entry perform better at all stages of the project cycle.** Not only do they have adequate design features such as solid logframes and clear alignment with Country Strategy Papers, they also tend to have a strong task team, receive effective guidance and oversight from Regional and Sector Managers, and benefit from the careful selection of peer reviewers who provide substantive advice. As the single most important determinant of a project's flexibility and responsiveness to changing contexts, good quality-at-entry (Level 3) significantly improves a project's ability to deliver sustainable outputs and intermediate outcomes (Level 2).
- Supervision is a continuous process that involves the borrower, key stakeholders and the Bank over the life of an operation, and plays a significant role in the operations' ultimate success or failure. In uncertain contexts or in countries with administrative capacity constraints, **proactive supervision (Level 3) can enhance the likelihood of achieving development objectives (Level 2)** by paying timely attention to contextual dimensions.
- While quality-at-entry and supervision are important, they cannot achieve lasting results on their own. For the Bank's outputs to contribute to longer-term country outcomes, **individual operations must have synergies with other Bank operations and the operations of other development partners.** As explained earlier, country outcomes are the collective product of multiple agencies and the government. By honoring the Paris Declaration commitments (Level 3), such as using country systems and conducting joint assessments and missions, the Bank enhances the link of its sectoral results to longer-term country outcomes (Level 1).

Box 5: Assessing Quality-at-Entry

The Readiness Review is emerging as the Bank's key instrument for improving the quality-at-entry of its operations and country strategies. During the pilot phase in 2009, 95 project documents (46 Project Concept Notes and 49 Project Appraisal Reports) were subjected to Readiness Reviews. Working from the pilot's results, the Readiness Review was refined and rolled out to all operations in January 2010. In a similarly phased approach, a Readiness Review is currently being developed for Country Strategy Papers for deployment in early 2011.

The purpose of the Readiness Review is twofold. At the corporate level, the Readiness Review aims to report and monitor quality-at-entry over time, making recommendations for further enhancement. At the level of individual operations and Country Strategy Papers, the Readiness Review aims to enhance the results focus and quality-at-entry of projects/programs by providing Country Teams with a structured set of comments and ratings on each quality dimension. Readiness Reviews are undertaken for both concept and appraisal stages, and focus on generic quality and design issues, thereby complementing the technical Peer Review.

Level 4: Does the AfDB Manage Itself Efficiently?

- 4.19. Among the many factors that affect the Bank's achievement of long-term results at the country level, internal performance management plays an important role. Strengthening the monitoring and the management of the AfDB's internal performance—performance over which it has direct control and for which it is fully accountable—is fundamental to enhancing the Bank's contribution to country-level results. Level 4 monitors indicators in five areas (Table 4): (i) human resources; (ii) business process and practices; (iii) information technology; (iv) decentralization; and (v) transparency. These indicators are a tool for ensuring coherence between the AfDB's intended contributions to long-term country outcomes, and its management of its budget, its human resources, and its internal processes and policies. Baselines and targets for Level 4 are only applicable to the Bank Group as a whole and do not require disaggregation by financial window.
- 4.20. These indicators aim at measuring the Bank's efficiency in its use of its internal resources and in the reforms considered essential to maintaining the institution's ability to remain a relevant, results-oriented institution on the continent. Some of the links between organizational efficiency and results are illustrated further:
- While a motivated and committed workforce is one of the most important determinants of good institutional performance, it is also important to ensure that streamlined business processes and quality internal services (Level 4) allow staff to reduce the time they spend on administrative tasks so that they can focus more on delivering sectoral outputs (Level 2).
 - Boosting the Bank's capacity to deliver outputs and intermediate outcomes (Level 2) also requires that the right combination of staff is available both at Headquarters and at the country level (Level 4). According to a 2009 OPEV evaluation, **one of the emerging trends of a strengthened field presence and the progressive shifting of decision making to Field Offices (Level 4) is better portfolio performance (Level 3).**

Table 4: Indicators of the Bank's Institutional Efficiency (Levels 4)

INDICATORS		BASE -	TARGET
		LINE 2009	2012
Human Resources			
Staff premature attrition rate	(%)	11	6
Share of women in professional staff	(%)	26	33
Vacancy rate	(%)	12.3	5
Operational professional staff	(%)	62	65
Business Processes and Practices			
Lapse of time for bidding completion	(weeks)	63	40
Lapse of Time for procurement *	(months)	15.9	11
Administrative costs per UA 1 million disbursed	(UA thousands)	109	93
Information technology			
Time of unavailability of Wide Area Network in Field Offices	(hrs)	175	150
Average time taken to resolve client IT requests	(hrs)	5	4.5
Decentralisation			
Operations Professional staff based in field offices	(%)	26	40
Projects task managed from field offices	(%)	16	35
Transparency			
Project audits submitted on time	(%)	n.a	80

*Baseline is 2008.

V. STREAMLINING RESULTS REPORTING

- 5.1 Corporate reporting is critical for informing shareholders and stakeholders about progress on the agenda and for sustaining Management's attention and institutional follow-through. Reporting from numerous sources and at different times does not provide the AfDB's Board, Management, staff or stakeholders with a coherent and comprehensive understanding of the AfDB's development effectiveness. Nor does it allow for timely remedial action when the active portfolio is not contributing to programmed outputs and outcomes. To unify results reporting across the institution, Management proposes to prepare a new Annual Development Effectiveness Review (ADER) to be presented to the Board on an annual basis. A summary of the ADER, the Results Scorecard, will present cumulative progress toward results to the Senior Management Coordination Committee on a quarterly basis, with a copy to the Board for information. In addition, quantitative reporting on operational results will be complemented with qualitative Results Briefs for areas of growing strategic importance. This consolidation treats results planning and monitoring as part of a continuum, as described in paragraph 2.1.

Box 6: Helping Managers Manage Better

When explaining the role of the Bank's Results Measurement Framework, it is paramount to stress the importance of management over reporting. The fundamental goal of the Results Measurement Framework is to improve the Bank's development effectiveness, which requires helping managers to manage better. Tracking progress on the Results Measurement Framework aims at enhancing the cycle of planning, encouraging periodic performance monitoring and fostering organizational learning. Although still very important, increasing accountability and improving external reporting are not the central purpose of this exercise.

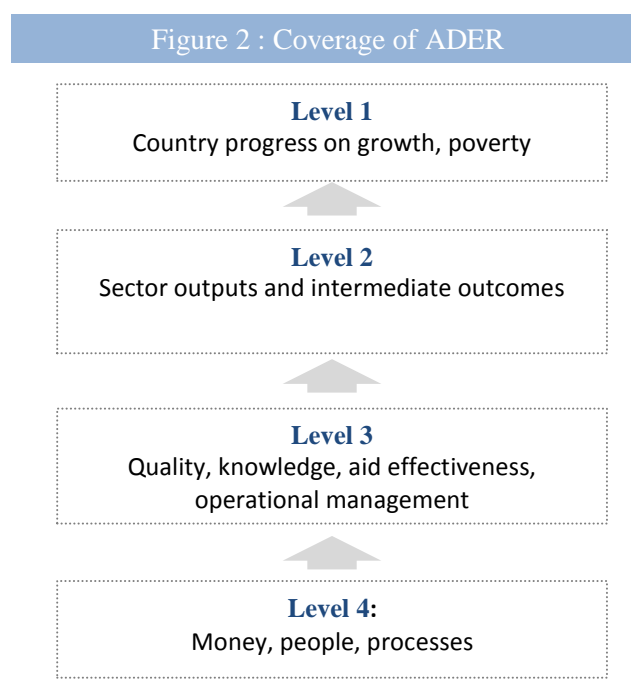
- 5.2 The proposed streamlined reporting mechanisms have the following advantages:
- *Simplicity*, because a single reporting system will monitor the corporate-level results of operations funded by both the AfDB and the ADF (with regard to monitoring the ADF, only data related to ADF countries will be presented to ADF Deputies);
 - *Coherence*, because the reporting will be organized around the institutional priorities described in the Medium-Term Strategy and summarized in the RMF;
 - *Logic*, because they allow for a more comprehensive explanation of the results chain that flows from institutional reforms to operational performance and eventually to country outcomes;
 - *Harmonization*, because they adopt the reporting practices of other MDBs and share a large number of indicators with the Asian Development Bank and the International Development Association; and
 - *Proactivity*, because they focus on early recommendations to correct actions and deliver outputs in a timely and efficient manner.

Annual Development Effectiveness Review (ADER)

- 5.3 The ADER will be the AfDB Group's primary corporate results reporting tool. The ADER acts as a milestone report on the AfDB's commitment to managing for development results and increasing its accountability on results to stakeholders and the public at large. The ADER will annually assess the AfDB's operational performance and progress toward results for all operations financed by the Bank Group in the context of the baselines and targets established in the Bank's RMF. At the same time, it will provide a qualitative account of the progress made in instilling a results culture across the institution.³ Where relevant, it will also illustrate the significant achievements of a few RMCs in their path toward a better quality of life. Based on this assessment, the ADER will identify key challenges and possible time-bound, monitorable solutions. Progress on implementing these solutions is reported on the Results Scorecard described in paragraphs 5.12 to 5.16.
- 5.4 The RMF is the centerpiece of the ADER, which analyzes progress in implementing the RMF (Figure 2). Using the RMF enables Management to focus on results areas that the AfDB and its shareholders have identified as priorities. The report targets operational performance for the last calendar year and cumulative outputs and outcomes for the past three calendar years. Wherever needed, it draws on past trends and the AfDB's experiences to explain current performance.

³ Coordination will be pursued with the Staff Survey to ensure that if relevant information is available through the survey, it will be analyzed and referenced in the ADER.

- 5.5 In line with the Bank's RMF, the ADER begins by reviewing Africa's progress toward its key development objectives as a means to contextualize its review of the AfDB's performance. The ADER then assesses the AfDB's contributions to development results by asking three key questions. First, what are the AfDB's key operational outputs and intermediate outcomes and how are they contributing to specific country outcomes? (Level 2 of the RMF). Second, is the AfDB becoming more effective at delivering outputs that result in specific country outcomes? (Level 3 of the RMF). Finally, is the AfDB becoming more efficient in managing itself to improve its operational effectiveness? (Level 4 of the RMF).



- 5.6 Thirdly, the ADER proposes a set of time-bound, practical and monitorable recommendations and assigns responsibility for their implementation. ADER recommendations cover all four levels of the RMF and are the product of extensive consultations with relevant units and departments.
- 5.7 Fourth, **the ADER proposes enhancements of the RMF when needed, to be incorporated in the next calendar year.** The process of producing the ADER gives the Bank an opportunity to review the RMF with an eye on improving subsequent reporting. Management will carefully review the selected indicators at all four levels, as well as assess the realism of targets, after one year. As the Bank strengthens its data collection practices and increases its investment in solid M&E frameworks, additional indicators will be considered to provide a more complete picture of Bank contributions to development. The RMF's usefulness depends on its flexibility to provide Management with the relevant information in changing contexts.
- 5.8 Level 3 of the RMF poses the question of effective operational performance. It will provide a detailed description of the Bank's active portfolio, portraying both areas of underperformance and of significant improvement over previous years. It will analyze *the reasons why* the Bank Group's active portfolio does or does not perform well. To do so, it will be based on deeper dialogue with Sector and Regional Departments. **By treating portfolio performance as one stop in the journey towards country results, the new ADER will highlight bottlenecks, strategic misalignments, and implementation shortcomings requiring immediate Management attention.** The new ADER's main purpose is to make results reporting a tool

to manage the portfolio better by offering timely solutions to the challenges it identifies. Careful attention will be given to rationalizing the scope and purpose of the Bank's different reporting tools—including the Annual Portfolio Performance Review and the Annual Report—so as to avoid unnecessary duplication.













- 5.9 Finally, **the ADER will include a summary of external views on Bank performance.** Recent external assessment efforts are the United Kingdom's Department for International Development's Multilateral Effectiveness Framework and the Multilateral Organizations' Performance Assessment Network (MOPAN). ADER will summarize the main findings of these reports—when available—and provide a set of time-bound actionable recommendations to address the main shortcomings identified in Bank performance.⁴
- 5.10 The ADER will be prepared by the Quality Assurance and Results Department (ORQR) for submission to the Board before the Annual Meetings. Prior to submission to the Board, the ADER will be cleared by the Senior Management Coordination Committee, especially with regard to endorsing recommendations and changes to the RMF's structure, indicators or targets. As described in sections 3 and 4 of this document, OPEV, the Economics Complex, Sector Departments and Regional Departments will provide and validate the data used for this annual reporting exercise.
- 5.11 The Bank will disclose the ADER by posting it on its external website within a week of the close of the Annual Meetings.

Results Scorecard (RS)

- 5.12 The Results Scorecard (RS) will be a summary of key management indicators contained in the RMF that will be produced quarterly for discussion at the Operations Committee and the Senior Management Coordination Committee. **Balanced scorecards are the most widely applied performance management tool in the development community and beyond.** The usefulness of the tool lies in its ability to enable the Bank to align all levels of MfDR around a single set of monitoring indicators.
- 5.13 The RS will use a traffic light system to summarize progress toward achieving the targets of the RMF. It will provide a quarterly update on Levels 2, 3 and 4 (Figure 3). It neither elaborates on a specific area of achievement nor does it provide substantial quantitative updates on each area. The purpose of the RS is to highlight areas of the RMF where the Bank is not on track so that specific and timely remedial action can be taken. For areas highlighted as red, the RS succinctly describes challenges and identifies solutions. Remedial actions are reported on the RS of the following quarter.
- 5.14 The RS will have four sections. Section 1 consists of a two-paragraph success story that took place at level 2, 3 or 4 of the RMF (e.g., a significant increase in education outputs, a steady improvement in the use of country systems, faster hiring). Section 2 uses the traffic light system to provide an update on Levels 2 to 4 (Figure 3). Section 3 provides explanations and recommendations of areas requiring immediate action. Section 4 uses a matrix to update readers on the actions agreed in the previous ADER and the RS.

⁴ For the publication of the second ADER onwards, the Bank will assess the possibility of carrying-out a client survey in a selected group of regional member countries.

Figure 3: Coverage of the Bank's Results Scorecard

LEVEL		LIGHT
Contributions to results		
1	Outputs	
2	Intermediate outcomes	
Operational effectiveness		
3	Quality at entry	
4	Portfolio performance	
5	Aid effectiveness	
6	Gender mainstreaming	
Operational efficiency		
7	Human resources	
8	Business processes	
9	Decentralization	

- 5.15 The traffic light system shown in Figure 3 is simple and will be piloted with an eye toward greater sophistication. Each of the three levels and nine sublevels receives a green light when performance is on track, an amber light when performance requires attention, and a red light when performance is off track.
- 5.16 ORQR submits the RS to the Senior Management Coordination Committee by the second week of each quarter, reporting on the previous quarter. Adequate consultation is pursued with relevant departments explaining areas of poorer performance.

Results Briefs (RB)

- 5.17 The reporting mechanisms described above primarily provide quantitative information on progress towards results. For areas of growing strategic importance, such as governance, fragile states, climate change, gender, ROs and private sector development, **the Bank will produce Results Briefs (RB) that offer a more qualitative explanation of the link between Bank deliverables and long-term country results.** RBs will use case studies to illustrate the links between levels 1 and 2 of the results measurement framework. The new RBs will also address some of the limitations of the output and intermediate outcome aggregation approach and will paint a more complete and nuanced picture of the results of Bank operations in selected areas.
- 5.18 The preparation of results briefs will be coordinated by ORQR. Sector and Regional departments are responsible for identifying suitable case studies, gathering materials, drafting key messages and identifying lessons.

Results Reporting System (RRS)

- 5.19 The Bank intends to implement an automated Results Reporting System (RRS) that will link expected results (as per the logical frameworks in Project Appraisal Reports) to progress toward results (as documented in supervision reports) and results achieved (as reported in Project Completion Reports). As shown in Table 5, the system will provide managers with a real-time view of their portfolio and their progress toward results.
- 5.20 The RRS is a unified platform that will provide real-time information on outputs and intermediate outcomes achieved through Bank operations so that Management can

periodically assess progress toward programmed results. **Operating through a dashboard, the system allows managers to filter data by variables (financing window, financing instrument, subregion, country and sector) that fit their information needs.** This flexibility suits the Bank's reporting needs for different reasons. It allows Senior Management to generate ADF-only data across relevant levels of the RMF for the purpose of reporting to ADF deputies. It allows Sector Directors to analyze aggregate sector results and track strategic sector performance. It allows Regional Directors to both focus on results for individual countries and have an aggregate view of the region of their competence. Finally, it allows stakeholders at large to have a simple, aggregate overview of the Bank Group's main contributions to development.

Table 5: Objectives of the Results Reporting System

	USER-FRIENDLY WEB-BASED INTERFACE
OBJECTIVE I	<p>1.1. Develop a user-friendly web-based interface that records details of the logical framework, the Project Supervision Report, and the Project Completion Report</p> <p>1.2. Record and store information into a database on Core Sector Indicators throughout the project cycle</p>
	DASHBOARD REPORTING
OBJECTIVE II	<p>1.3. Develop a dashboard to give Task Managers a real-time view on the project process</p> <p>1.4. Alert Management to projects that are overrunning their planned dates and deliverables</p>
	WORK FLOW AND TRACKING
OBJECTIVE III	<p>1.5. Automate the tracking and approval of project documents through a work-flow system</p> <p>1.6. Implement various alerting mechanisms to track and reduce timeframes in the project implementation process</p>

5.21 The RRS does not only coalesce the information necessary to report on all four levels of the RMF, it also closes an important information gap: **it provides information on outputs and intermediate outcomes achieved through Bank operations that is not stored in any of the Bank's existing databases.** This is true for most development agencies, which have collaborated to identify information system solutions with increasing frequency in recent years. This refinement on the part of the RRS increases the Bank's ability to track the performance of specific operations and areas:

- **Gender.** The RRS will be able to disaggregate data on country results (Level 1) and on the Bank's contribution to results (Level 2) by gender. Level 2 gender-disaggregated indicators span sectors such as transport, water, climate change, and private sector development, as well as the more traditional social sector. These indicators can be further disaggregated by subregion and country of intervention. In addition, one indicator will be tracked at Level 4 to monitor the Bank's own effectiveness in attracting and maintaining a diversified workforce that includes a significant number of women in professional positions.
- **Regional Operations.** The RRS will be able to provide data on country results (Level 1), on the Bank's contributions to results (Level 2), and on portfolio performance (Level 3),

both for single country operations and for ROs. While the Bank's statistical databases monitor Africa's progress to greater regional integration through a few key indicators (Level 1), the Bank's contribution to this progress has not been systematically recorded (Level 2). The inclusion of a dedicated set of CSIs for ROs will allow the RRS to isolate the outputs and outcomes of ROs and generate a better understanding of their contributions to development. In addition, the RRS will provide more accurate information about the portfolio performance of ROs. The current version of the Bank's SAP system can only track performance for each country participating in a RO, not for the project as a whole. This deficiency has contributed to inaccurate assessments of these types of operations and has diminished the impact of Management recommendations to improve their performance.

- **Private Sector Operations.** Another milestone in the shift toward a single cohesive measurement and reporting system for all Bank operations is the RRS's ability to track the performance of the Bank's private sector operations. The RRS will be able to generate reports that describe Africa's progress toward creating conducive environments for private sector participation (Level 1), to identify the Bank's key contributions to that progress (Level 2), and to measure the effectiveness of the Bank's private sector portfolio in delivering outputs and outcomes as planned (Level 3). Although the Bank has selected a limited number of CSIs to track its contributions to private sector development as part of the RMF, a more comprehensive set of development outcome indicators are closely followed by the institution's ex-ante Additionality and Development Outcome Assessment. Finally, the RRS will be able to integrate private sector results (Level 2) and portfolio performance (Level 3) into the rest of the Bank's statistics, providing a complete, aggregate description of all Bank-financed operations.
- **Policy-Based Operations.** In line with the features described for private sector operations, the possibility of both isolating the results of policy-based operations and subsuming their performance under a more aggregate picture of Bank results is another attribute of the RMF and the RRS. Because the vast majority of the Bank's policy-based operations are delivered to strengthen economic and financial governance, indicators that track the Bank's contribution to good governance are a proxy to measure the most recurrent contribution of policy-based operations to country results. The Bank is the first MDB to develop dedicated CSIs for Governance, and lessons from its use will help the Bank and other partners to refine this difficult area of results reporting.
- **Fragile States.** The RMF tracks how the Bank contributes to sector results at the country level through a variety of lending instruments. Disaggregating results and performance for a group of countries, such as fragile states, will be possible at all levels of the RMF once the RRS is operational.

5.22 An early prototype of the RRS was presented to ADF Deputies in October 2009; a fully functional database will be up and running by 2011.

VI. CONCLUSION

- 6.1. This paper has described the consolidated Results Measurement Framework of the African Development Bank Group. The proposed RMF is expected to strengthen operations' focus on key results of development effectiveness, culminating in a process that began with the Bank's formulation of its Medium-Term Strategy. The RMF's distinctive inclusion of a comprehensive set of measures of organizational and operational effectiveness is expected to promote a stronger culture of results within the institution.

- 6.2. The Bank will streamline its results reporting practices to provide a cohesive account of the institution's contribution to country level outcomes. The ADER will provide an annual account of the Bank's progress at all four levels of the RMF. The Results Scorecard will give Management summary information on progress toward results on a quarterly basis, principally monitoring recommendations to improve the Bank's ability to manage for development results. The RBs will use case studies to illustrate the links between Bank deliverables and country results. The inaugural ADER will be published by the end of Q1 2011 and launched at the 2011 Annual Meetings. The first RS will be published in Q1 2011. The inaugural RBs will be published in Q4 2011.