2009 ACCOMPLISHMENTS AND STRATEGIC PRIORITIES IN 2010

MR. ALOYSIUS ORDU, VICE-PRESIDENT
COUNTRY & REGIONAL PROGRAMS & POLICY

As part of his New Year message, Mr. Aloysius Ordu, Vice-President of Country and Regional Programs and Policy, highlighted the Bank Group’s fast, innovative and forward looking response to its differentiated clients during the global economic and financial crises. Mr. Ordu noted several accomplishments in 2009, namely a record lending volume of US$ 12 billion, numerous quality Country Strategy Papers, Country Portfolio Reviews, and excellent Economic and Sector Work.

Mr. Ordu observed that in 2009, the hard work that went into preparing for the Mid-Term Review of the Eleventh Replenishment of the African Development Fund (ADF-11) paid off with the Deputies’ positive feedback in Helsinki. The Bank’s new results culture is now making inroads into the Bank’s systems and the Africa Achieves book has shown how profoundly the Bank impacts people’s lives. The Outliers and Exceptions Report was also launched in 2009 as a vehicle for proactive management action to enhance the Bank’s portfolio and programs. Mr. Ordu noted that in 2009, the Bank demonstrated that even in the most difficult circumstances, fiduciary safeguards could be assured without compromising quality. The Bank has also continued to make good progress in mobilizing cofinancing and rationalizing trust funds.

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ENHANCED SERVICES FOR BANK GROUP OPERATIONS

MR. TOM HURLEY, DIRECTOR
QUALITY ASSURANCE AND RESULTS DEPARTMENT

Enhanced services for Bank Group operations is Mr. Tom Hurley’s vision for the Quality Assurance and Results Department. Mr. Hurley, the new Director of the Quality Assurance and Results Department (ORQR), assumed office in January 2010, replacing Ms. Ellen Goldstein, who returned to the World Bank as the Country Director in Bangladesh. With barely one month in office, Mr. Hurley has already outlined a new mission, a new vision, and new core values for the Department.

Mr. Hurley remarked that ORQR has been recognized for having delivered impressive results in a very short period of time, and indicated that under his leadership, the Department will build upon and consolidate its success while pursuing a service-oriented approach that will enhance Bank Group’s operations at all levels. This approach will comprise more intensive consultation with other Bank Departments to ensure that the needs of its internal clients are met.
LAUNCH OF READINESS REVIEWS FOR COUNTRY STRATEGY PAPERS

One of ORQR’s main tasks is to support operations to enhance the quality at entry (QaE) of Bank Group operations. To this end, in 2009 ORQR piloted a new “Readiness Review” tool for investment projects. The main purpose of Readiness Reviews is to provide Country Teams with a set of structured comments on issues affecting the QaE and results focus of public investment projects. The new Readiness Review tool was rolled out in the beginning of 2010 for all operations, including investments, projects, and policy-based loans. ORQR has also begun to develop a Readiness Review tool for Country Strategy Papers (CSPs) with Regional and other relevant Bank Departments. As a first step in the process, ORQR completed a stocktaking exercise of CSPs approved by the Board in 2008 and 2009 to identify QaE-related strengths, weaknesses and best practices. The key recommendations from the stocktaking exercise are in the box below.

**ORQR’S CSP STOCKTAKING EXERCISE**

ORQR’s recent CSP stocktaking exercise suggested the following recommendations to improve the quality at entry of Bank Group CSPs:

- The Bank’s strategy should drive the design of the program of assistance more clearly.
- The poverty reduction impact of the Bank’s strategy and program should be better articulated.
- The quality of country and sector diagnoses, including the contextual analyses, should be improved.
- The Bank’s country-specific position and comparative advantage should be clarified.
- CSPs’ strategic selectivity and sector and thematic focus should be sharpened.
- More attention should be paid to capacity building for enhancing or promoting the use of country systems.
- All ongoing operations, including private sector operations and Economic and Sector Work, should be reflected in the CSP results frameworks.

Following the stocktaking exercise, ORQR held a series of bilateral consultations and organized a CSP workshop conducted in February 2010 with Regional Departments, Country Teams, Field Offices and other Bank Departments. The findings from the stocktaking exercise, the bilateral consultations and the workshop will inform the development of the CSP Readiness Review tool, which will also incorporate the aid effectiveness principles of the Paris Declaration and the Evaluation Cooperation Group’s criteria for assessing CSPs among multilateral development banks. CSP quality standards will be developed to provide detailed guidance to Country Teams on various Readiness Review criteria.

Moving ahead, the Quality Assurance Division will pilot test the draft Readiness Review tool in selected countries by joining Country Teams and Economists in CSP preparation missions. The experience gained during these pilot tests will help to improve the CSP Readiness Review tool and CSP quality standards in collaboration with the Country Teams concerned. Further consultations to refine and validate the CSP Readiness Review tool are planned for the second half of 2010. The systematic application of the Readiness Review process for all CSPs is scheduled to commence in January 2011.

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2009 ACHIEVEMENTS AND STRATEGIC PRIORITIES IN 2010

**MR. ALOYSIUS ORDU, VICE-PRESIDENT**

(continued from page 1)

Mr. Ordu identified three priority areas for the Bank Group’s operational work in 2010. First, the Twelfth General Replenishment of the African Development Fund (ADF-12) and the Sixth General Capital Increase (GCI-6): Mr. Ordu stressed that both ADF-12 and GCI-6 are urgent and required, and that the funds provided by these vehicles are vital to the Bank’s continued ability to fulfill its mandate and help countries achieve their development goals. Mr. Ordu is optimistic that donors and state participants will respond to countries’ needs and enable the Bank to maximize its capacity as a powerful force for Africa’s development.

Second, analytical work and knowledge services: Mr. Ordu believes that developing knowledge and performing sound analytical work are important ways that the Bank can assist client countries to make a difference. He cites *An Infrastructure Action Plan for Burundi-Accelerating Regional Integration* (2009) as an example of the tremendous benefits of rigorous analytical work. Mr. Ordu is convinced that analytical work of this kind will help to build client and Bank capacity and underpin the Bank’s country and regional strategies and lending operations.

Third, strategic staffing and core operational learning: Mr. Ordu believes that a successful ADF replenishment and general capital increase will create the need for more qualified staff who can deliver on the huge tasks ahead. Learning programs will be rolled out to focus on re-tooling staff in the Bank’s core operational skills. The launch of the new Operational Learning and Knowledge Series is one such initiative (page 3).

**SELECTED BANK GROUP ACHIEVEMENTS IN 2009**

<table>
<thead>
<tr>
<th>Category</th>
<th>2009 Target (ADF only)</th>
<th>2009 Value</th>
</tr>
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<tbody>
<tr>
<td>New Country Strategy Papers with Sound Baseline Data</td>
<td>70%</td>
<td>70%</td>
</tr>
<tr>
<td>Operations Supervised at Least Twice a Year</td>
<td>40%</td>
<td>55%</td>
</tr>
<tr>
<td>Annual Disbursement Rates (Investments)</td>
<td>30%</td>
<td>28%</td>
</tr>
<tr>
<td>Problem Projects</td>
<td>10%</td>
<td>6%</td>
</tr>
<tr>
<td>Project Completion Reports with Gender Disaggregated Data</td>
<td>45%</td>
<td>54%</td>
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Source: Quality Assurance and Results Department, February 2010.

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*(The Evaluation Cooperation Group is a dedicated group of Heads of Evaluation Departments of the African Development Bank, Asian Development Bank, European Bank for Reconstruction and Development, European Investment Bank, Inter-American Development Bank, and the International Monetary Fund)*
In recent years, the Bank has been vigilant in clearing the backlog of Project Completion Reports (PCRs) and ensuring their timely preparation. Recent actions undertaken by the Bank to address the quality and timeliness of PCRs are highlighted below.

Revamping Project Completion Report Procedures. In December 2008, the Bank started a revision of its completion reporting procedures so that reports would be prepared earlier and jointly with the borrower. Instead of waiting for a separate borrower’s report, PCRs are now prepared jointly any time after an operation is 85% disbursed and become mandatory at 98% disbursement. Teams have been asked to prioritize newly exiting projects in order to ensure timely feedback before addressing the backlog.

Focusing on Results Achieved and Lessons Learned. A simplified format for project completion reporting was introduced to replace an earlier format that was descriptive and process-oriented and often resulted in reports of 40 pages or more. The shorter, 8 to 10-page format makes ratings easier and more consistent, and has been designed so that it can be fully integrated into the planned automated results reporting system.

Transferring Responsibility to Field Offices. New procedures envision a major role for Field Offices in completion reporting. Field Office staff members are uniquely positioned to work jointly with the borrower to evaluate implementation challenges and progress toward results. A targeted PCR fund was established to support field staff in conducting completion reports in countries lacking Bank offices. As a result, 60% of completion reports for 2008 exits were prepared from the field.

These efforts have allowed the Bank to make exceptional progress in raising the coverage of timely completion reporting: it achieved a 91% timely completion reporting rate for June 2008-June 2009 for public sector operations. The Support to the Mano River Union and the Côte d’Ivoire HIV/AIDS Control Program featured below was among the timely PCRs processed in 2009.

Going forward, the challenge will be to sustain this breakthrough performance, enhance the quality of PCRs, and mainstream lessons learned into the preparation of new operations. A focus on lessons learned from prior operations as part of the Readiness Review process will help in this regard.

FEATURED PROJECT COMPLETION REPORT: SUPPORT TO THE MANO RIVER UNION AND THE COTE D’IVOIRE HIV/AIDS CONTROL PROGRAM

Promoting Regional Integration and Supporting the Health Sector in Fragile States

The Support to the Mano River Union (Guinea, Sierra Leone, and Liberia) and the Côte d’Ivoire HIV/AIDS Control Program was identified as one of the Bank’s most successfully completed operations in 2009. Funding for the PCR mission was made available from ORQR’s PCR Fund and was conducted with the active participation of staff from the Sierra Leone Field Office and the Bank’s Headquarters in Abidjan. The two most important elements of this program were that implementation and completion reporting were undertaken in a timely fashion. This program also received high ratings on the design of development objectives, relevance, quality of the logframe, achievement of outputs and outcomes, and implementation readiness. The protracted civil wars and social unrest in the two fragile states (Sierra Leone and Liberia) generated a large population of refugees as well as a substantial contingent of international peacekeepers. So far, the number of beneficiaries from the program has been estimated at one million people, of whom 35% are from female-headed households and nearly 50% are children. As a result of the program, war-related illnesses and out-of-pocket personal healthcare expenditures have decreased and income-generating opportunities for program beneficiaries have improved.

Lessons learned from this program include: (i) the Bank’s use of UN procurement procedures ensured flexibility and accountability and could be replicated in other, similar contexts; (ii) the Bank made successful use of reputable non-governmental entities due to low government capacity; and (iii) limiting the number of implementing partners and ensuring proper coordination improved program implementation. The PCR mission concluded that significant progress was made in the prevention, control and management of HIV/AIDS and related illnesses in the target population. The program promoted regional integration between two fragile states (Sierra Leone and Liberia) and enhanced cooperation with other development partners in the subregion.

LAUNCH OF A NEW OPERATIONAL LEARNING AND KNOWLEDGE SERIES TO IMPROVE QUALITY

The Operational Learning and Knowledge Series was launched in January 2010 by Mr. Aloysius Ordu, Vice-President of Country and Regional Programs and Policy, in collaboration with the two other operational Vice-Presidencies, the Human Resources Management Department, Operations Evaluation Department, and ORQR.

The program combines a mix of action learning sessions aimed at strengthening the Bank’s results-related reform. The sessions primarily target Sector Managers, Task Team Leaders, Resident Representatives, Country Economists and Country Program Officers, and are designed to strengthen operational competencies using expert knowledge within the institution. The indicative program for 2010 is in the box below.

2010 INDICATIVE OPERATIONAL LEARNING AND KNOWLEDGE SERIES

1. Supervising Operations: Moving Towards Evidence-Based and Action-Oriented Reporting
2. Improving the Quality At Entry of Country Strategy Papers
3. Preparing Quality Project Completion Reports
4. Delivering Results in a Complex Environment
5. The Paris Declaration and Project Implementation Units
6. Assuring Project Quality At Entry
7. What Constitutes Quality Economic and Sector Work?
8. Problematic Projects: Do We Restructure?
10. Making the Most of Fiduciary, Social, and Environmental Safeguards
11. Challenges in Implementing Regional Operations
12. Have Trust Funds Really Been Simplified?
The African Community of Practice on Managing for Development Results (AfCoP-MfDR) was created in February 2007 to contribute to capacity building in MfDR by sharing experiences and promoting professional networking within Africa and around the world. The AfDB and the World Bank provide joint financial and technical support to the network. In recognition of growing personal and online interactions, the AfCoP has been mainstreaming the MfDR agenda and building capacity in the region. As of January 31, 2010, its membership comprised 1,000 Results specialists from 37 African countries. Membership is expected to grow further as a result of AfCoP’s advocacy efforts. To increase its impact at the country level, AfCoP has encouraged the creation of country-level communities of practice aimed at building national capacity and advancing the MfDR agenda. The country-level communities of practice have focused on reaching government officials, promoting professional networking, conducting training sessions, and lobbying governments and development partners to better design results-oriented interventions.

With the support of the Canadian Technical Trust Fund, the Bank is implementing a program to support the first batch of national communities of practice in eight countries. As part of this program, Bank staff recently participated in Niger’s 2010 “National Week of Sharing Good MfDR Practices.” This five-day event encapsulated the key dimensions of MfDR: effective leadership, planning, budgeting, monitoring and evaluation, statistical capacity, accountability and partnership. Mr. Mamadou Lamine N’Dongo, Lead Economist at the Quality Assurance and Results Department (below at left), collaborated with the Statistics Department and the Operations Evaluation Department to lead the Bank-sponsored seminars in Niger. This learning event proved to be a concept worthy of replication in other African countries. The experience demonstrated that national communities of practice are a valuable tool for mainstreaming MfDR. The Quality Assurance and Results Department, in collaboration with the Operations Evaluation Department, the Statistics Department and the African Development Institute, are working on a training package to assist national communities of practice in carrying out their capacity building action plans.

Mr. Mamadou Lamine N’Dongo, Lead Economist, Quality Assurance and Results Department (left); Mr. Abdou Soumana, Secretary-General of Niger’s Ministry of Economy and Finance (center); and Mr. Seydou Yayé, Director-General of Monitoring and Evaluation and Coordinator of Niger’s Community of Practice (right). Together, they emphasize the Government of Niger’s commitment to implementing MfDR, detail the progress achieved so far, and discuss the Bank’s support for Niger’s Community of Practice.

THE BANK ESTABLISHES A NEW ENVIRONMENTAL AND SOCIAL SAFEGUARDS NETWORK (ESSNET)

The Safeguards and Compliance Division of the Quality Assurance and Results Department (ORQR.3) is facilitating the creation of the Environmental and Social Safeguards Network (ESSNet), as a platform for discussion, information exchange, and collaboration with other Bank actors to make safeguards principles and tools understandable, accessible and functional for all its members. A meeting was convened on February 16, 2010 to discuss ESSNet’s Terms of Reference and to generate a common understanding of what the network hopes to achieve.

AfDB staff members see the creation of ESSNet as recognition by ORQR of the problems faced by operational staff in mainstreaming safeguards-related issues in their day-to-day work. The meeting participants acknowledged that safeguard application problems remain, and that a network would be an effective way to enhance project quality by integrating environmental and social impacts in project design.

ESSNet was launched in Tunis on March 12, 2010 with Dr. Stephen Lintner, Senior Technical Adviser at the World Bank, participating as the guest speaker. Dr. Lintner addressed network participants on the theme of “Environmental and Social Safeguards and Sustainable Development in Africa.” His presentation was followed by a discussion based on current experiences within the Bank.

ESSNet intends to bring together practitioners in the social and environmental domains to exchange lessons, share experiences, and encourage synergies across sectors, departments, regions and organizations. The process will enhance the awareness and practice of environmental and social safeguards across Bank Group operations.

ESSNet’s benefits will not be limited to shared knowledge. The network will also facilitate the creation of an operational knowledge base for better project and program planning and implementation. ESSNet will also create a safeguards help desk that will provide rapid and helpful responses to Bank staff members on issues related to their understanding and application of the Bank’s environmental and social safeguards policy.