Meet CODE Members

The Bank’s Committee on Development Effectiveness provides guidance and oversight for OPEV

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When we launched eVALuation Matters last quarter, we were understandably nervous. A great deal of effort—late nights, long coffees, follow-up emails and endless planning and monitoring meetings—had gone into it. Will it take off or be destined to "yet another attempt" for lessons learned? A sinking feeling and a hollow in the pit of the stomach lasted for what seemed an eternity. Did we correct the typos? Is the format OK? Many more questions came to mind as we waited nervously for the first hard copy. This is perhaps the feeling of every venture capitalist, entrepreneur, innovator or maybe publisher. It certainly is the feeling of every father as he awaits his baby.

Well, we can start breathing again for we have a healthy newborn. The feedback from colleagues on the premier edition has been overwhelming. From the bottom of our collective hearts we would like to thank you for your kind wishes and messages of encouragement and goodwill. We are indeed humbled and deeply grateful. Our fears of dark clouds have been replaced by the silver lining, as we move forward with a little more optimism and a spring in our step towards this second issue.

This edition goes to press amidst deeply troubling times. The vision of smoke rising from the attacks on the US Embassy and American School in Tunis are etched in memory. Tear gas, rubber bullets, crowds scaling walls, looting and destruction of property. Staff in the Zahrabed office, only a block from the US Embassy, holed up in their office, waiting anxiously to hear from security. Senior managers and Executive Directors, in discussions with Deputies on the ADF replenishment in distant Cape Verde, but frantically texting colleagues and family to ensure safety. Fortunately, things calmed down just as quickly as they flared up. But not before a number of deaths and injuries. Now comes the time for reflection. How can we ensure the safety of all—not only staff and families—but all humanity, while not restricting freedoms? The very freedoms for which Tunisians fought hard as they launched the Arab Spring?

Among many other things, the Bank prides itself on its resilience. As it moved from Abidjan to Tunis almost a decade ago, it moved amidst impossible circumstances. Yet it did not skip a beat. No transaction was lost, no disbursement delayed, no payment overdue, no payrolls missed. It was as if the Bank knew this was coming and was prepared for any eventuality.

More recently, at the dawning of the Arab Spring, staff remained steadfast and confident. The overhead helicopters, gunfire and riots across the city were taken in stride. Sure there was nervousness and heightened anxiety. But, through it all, we stood strong and together as a family. A magical support system comes alive in times of adversity. I am confident that this latest incident will also pass as this support system kicks in. As we have in the past, Bank staff will look for the positives and continue to work towards the objectives of our institution.

We are here for a purpose and nothing will deter us from this all-important mission. We will always find The Silver Lining—for this is part of our DNA.

Rakesh Nangia
Director, Operations Evaluation Department
African Development Bank
Meet CODE Members

The AfDB Board of Executive Directors oversees the independent evaluation function through its Committee on Operations and Development Effectiveness (CODE). CODE is responsible for protecting the evaluation function in the Bank for providing oversight and guidance. It identifies or reviews general policies for Board consideration and submits selected evaluations on development effectiveness to the

Mr. Andre Nzayayek is the Executive Director for Burundi, Cameroon, the Central African Republic, Congo and the Democratic Republic of Congo.

Prior to this, he held other high level positions in the AfDB and served as Minister in the CAR. Mr. Nzayayek’s 30-year experience includes working in management, politics, academia, and research.

He holds a doctorate in the sociology of development and the political anthropology of sub Saharan Africa from UVA, Amsterdam; territorial administration, focusing on regional planning, and business management from NWIT, BREDAC, The Netherlands.

Hon. Walter C. Jones represents the United States on the Bank’s Board of Executive Directors.

Mr. Jones’ career has spanned nearly 25 years in international business, law and finance. He has served as Chair of the Board’s Audit Committee and Vice-Chairman of the Ethics Committee.

Mr. Jones has a Bachelor of Arts (B.A.) degree from Princeton University and the Woodrow Wilson School of Public and International Affairs, a law degree (J.D.) from Harvard Law School, and a Masters in Business Administration (MBA) from the George Washington University School of Business and Management. He is admitted to the District of Columbia and Pennsylvania Bars.

Mrs. Mary Consolate Muduuli (Né Nassiwa) is the Executive Director representing Eritrea, Ethiopia, Kenya, Rwanda, Seychelles, Tanzania and Uganda.

She previously served as Senior Advisor to the Executive Director for these same countries. Prior to joining the Bank she worked for the World Bank and held several high level positions in the Ugandan Government, notably in the Ministry of Finance, Planning and Economic Development.

Mrs. Muduuli has a Master of Science Degree in Agricultural Economics from the University of Manitoba, Winnipeg, Canada; and a Bachelor of Arts in Rural Economy from Makerere University, Uganda.
Board. CODE also monitors the implementation of Board decisions on matters within its mandate. Meet the Executive Directors who are members of CODE. The current CODA chair and Vice Chair are Mr. Nzapayek and the Honorable Walter C. Jones, respectively.

Dr. Shehu Yahaya is the Executive Director representing Nigeria.

Before his appointment to the AfDB Board of Directors, he served in other positions in the AfDB, including: manager in the AfDB Secretary General’s Office; and prior to that, a senior/principal industrial economist in the Operations Policy Department.

Before joining the AfDB, he served as Assistant/Deputy General Manager, Nigeria Export / Import (NEXIM) Bank; macro industrial economist at the UNDP; Head of the Department of Economics, Bayero University; and Lecturer, Department of Economics, Bayero University, Kano, Nigeria.

Dr. Samy Saad Zaghloul represents Djibouti and Egypt.

Prior to joining the Bank, Dr. Zaghloul worked in the Egyptian Air Forces and also in the Palace Office, Sultan of Oman.

Dr. Zaghloul holds a PhD in Urban Planning from Harvard University. He also holds three distinct masters degrees: in Public Administration (John F. Kennedy School of Government Harvard); Computer Science (Harvard); and Computer Science (Cairo University). He received a Bachelor of Science Degree in Engineering, with a major in Computer Science from the Military Technical College in Egypt.

Mr. Vincenzo Zezza represents Italy, The Netherlands and the United Kingdom.

Prior to joining the Bank, Mr. Zezza held several high level positions in the Prime Minister’s Office and in the Italian Ministries of Budget, Treasury, Economy and Finance, Economy and Budget.

Mr. Zezza has published widely, in particular in the field of regional development.
In a statement following your nomination to the AfDB, you mentioned that your experience in international development and business, especially in Africa, had given you a better understanding of the “continent’s challenges and attributes within a broader, more competitive global context.” What are the continent’s challenges and attributes?

When I talk about seeing the continent’s challenges and attributes within a broader, more competitive global context, I mean that Africa cannot be seen, nor should it see itself, in a vacuum. It is part of a competitive environment, a competitive world. If I were an investor, I would consider my options and the investment environment—absent a unique, distinguishable feature—within the context of other options. So Africa has to look at how it stacks up against its peers. Before globalization, every country, every region had the luxury of seeing itself as somewhat isolated because of trade barriers. Whatever the market and the systemic impediments to truly free global trade, a country could look at itself almost as an independent unit. With globalization, the reduction of trade barriers, and currency flows across borders, a country needs to determine how competitive its environment is in relation to some other country that may be on the other side of the world.

What are Africa’s attributes in this competitive global environment?

Africa is the richest continent in the world—in terms of its abundant natural resources. It has a young population, tremendous talent and energy and it is thriving. It possesses a certain energy.
What are the biggest hurdles Africa faces in trying to achieve economic and social development?

There are several hurdles: Africa needs to develop a competitive business environment—to make it easy for people to spend money, to invest and to realize profit—a reasonable expectation—otherwise investors will not put their money at risk. To have a competitive business environment, Africa has to overcome certain stereotypes and perceptions—some accurate, some not accurate—of transparency, good governance, and corruption—all the things we hear about. We need stronger examples to support the emerging reality rather than age-old perceptions. These examples exist, but they need to be disseminated more fully and they need to become consistent so they stand out as the norm as opposed to the exception. That is a huge challenge.

I think there are challenges in certain countries where people see their interests tied to the benefits and the welfare of the country as opposed to the individual or sub-group. If you feel that your interests lie in a successful country and the government is really providing for its citizens, then you are more likely to invest and to put time and energy in the country's development. In contrast, if you think that despite your best efforts a certain group or certain subset is going to benefit, then you are less likely to give all that you can and you are probably going to invest your interest and energy elsewhere—a net loss for a country. There has to be a stronger sense of nation, and I think with that comes stronger institutions, a greater sense of accountability.

You also talked about the “Continents' great promise and hope.” What do you see as Africa's “great promise and hope”?

The people. You have to have a certain energy in a country, in a population, and you certainly find that in Africa. Now, the education systems in the various countries need to be strengthened at all levels, not just at the higher levels. You cannot build a PhD program on a non-existent primary education foundation. You have to start from the bottom and make sure the education system is sound across all levels. That is one of the hopes and challenges—you need an education system that delivers to services. Education is very important.

One of your stated objectives in coming to the AfDB was to help the AfDB help Africans find locally-based solutions. Would you say that you have done that?

Evaluation—the work being done by OPEV—helps identify local solutions. OPEV looks at what has been done—at the project, sector, thematic, corporate levels—and tells the world what has worked, what has not worked, why it has not worked, and what should be done to improve things. In the process of evaluation, OPEV sometimes identifies success stories that may have been unintended, or may have been less well formulated at the Bank, at the donor or the community level, but also at the local recipient level. Identifying local input that has contributed to positive outcomes and supporting that, encourages local solutions. People are more likely to embrace change and ideas they contributed to, or change they believe fully takes into account their interests as opposed to ideas imposed from the outside. I am not alleging that this is what is happening now. But the tendency is to embrace that which you are a part of. I think OPEV plays a key role in identifying ideas that can actually work, and ideas that have been modified after receiving local input through experience.

So, have I contributed to this? I think so, although I am somewhat constrained because I am an Executive
What is the AfDB’s story?
The AfDB managed the debt crisis well, providing support to its countries when others would not; it has strong capacity building programs; it has demonstrated accountability and transparency, just to name a few. It is a role model in many ways.

I think the others can learn a lot from the AfDB as well. The AfDB does a lot of good things. So it is not a question of looking to other MDBs for solutions or best practices. I think the others can learn a lot from the successes of the ADB, what it has been able to achieve, where it comes from and where it is now.

However, to answer your question, I have heard about the Asian Development Bank’s work in creative financial products, or harnessing local capital. I hope to learn more about that when I visit that institution. The Bank also seems to be moving in that direction. The IBRD may have some lessons to share on private sector finance since most of its countries are structurally similar to those of the AfDB and so it deals with similar issues, such as land tenure and fragile states. But these institutions can learn a lot from the AfDB’s story. It is a story that is worth telling.

What is the AfDB’s Story?
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Tell us about an OPEV evaluation you remember, and why you remember it.
The Gender Mainstreaming Synthesis Evaluation, because it was sobering and disappointing to learn that all MDBs are failing in mainstreaming gender. The Project Completion Reporting Synthesis Report with lessons learned from implementing projects.
Achieving better development results is a complex but constant goal of independent evaluation at the Asian Development Bank (ADB). Many lessons have been learned in four decades of evaluation of ADB’s support to developing countries in Asia and the Pacific. But one in particular is assuming increasing importance for achieving more effective development outcomes. In our work, we have called it ‘connecting the dots.’

All of us in the development community are keenly aware of the need to maximize outcomes in these challenging times—and we feel this acutely in Asia. While the region has made impressive gains in reducing the share of the population living in poverty, progress in absolute numbers is often undermined by high population growth in some countries. Add to this the increasing frequency and intensity of natural disasters and the stress on the poor is set to become even more severe.

A wealth of evaluative evidence points to the crucial role that links play in the patterns of development, and how building synergies into project and program designs across sectors and players and times can magnify development outcomes.

This was demonstrated in a recent evaluation of ADB-supported rural electrification projects in Bhutan. As these connected targeted households, the wider access to electricity produced positive outcomes in health and education. Yet, the development impact could have been far greater had the projects been designed with complimentary investments providing income-generating opportunities for the beneficiaries through the use of electricity.

It is in light of such evaluative findings that the Independent Evaluation Department puts considerable emphasis on how connecting the dots can achieve better results. These links broadly fall into three categories.

The first is horizontal, across sectors. Seeking development interactions across sectors such as health, education, sanitation, and roads can markedly improve country outcomes. Here, development partners and governments pool resources to support integrated development in project designs to multiply their effectiveness.

Investments in water and sanitation, for example, have a better chance of reducing water-related diseases if combined with education efforts promoting
good hygiene. By implication, a horizontal approach calls for a portfolio presence in complementary areas.

Unfortunately, it has been my experience in independent evaluation at both the World Bank and ADB that the value of coordination and collaboration across sectors and among partners remains a weak and under-recognized link in the development process.

The second link is vertical. This is a development strategy that shifts the focus from inputs or initial interventions to more complete outcomes. In other words, immediate objectives in project designs should also connect to more lasting development outcomes.

The impact natural calamities have on perpetuating poverty and undermining hard-earned development gains vividly illustrates the value of vertical links. When disasters strike timely responses are needed, but these interventions must connect to the longer-term solutions of disaster risk preparedness and mitigation measures. If they don’t, countries prone to natural disasters—such as cyclone-ravaged Bangladesh—could find themselves in a near-permanent state of recovery.

More attention is needed on strengthening this link in the efforts of countries and multilateral banks in supporting education. Sizable gains have been made in improving access to basic education in Asia and elsewhere. But the focus ought not to be solely on access anymore. We need to encompass the harder goal of improving the relevance and quality of education, and particularly in achieving better learning outcomes.

The third link is time-based and aims to strengthen development processes in a rapidly changing global environment. Replicating what worked in the past—even for highly rated projects and programs—is no guarantee for future success. When conditions change, innovative and maybe even riskier approaches need to be applied given the prospect of development practitioners operating in more difficult circumstances.

Take the issue of sustainable water management, a pressing concern for policymakers and economic managers in both Africa and Asia. Besides worries over dwindling resources, newer challenges such as coastal zone management, pollution reduction, climate change, and groundwater conservation are emerging.

Dealing with them requires cross-cutting approaches, although investments clearly do not need to cover all aspects, nor can one agency do it all. But it is important to connect the dots; first in planning processes, then ensuring they stay connected during implementation through provisions for monitoring evolving outcomes.

Deepening our understanding of how these links can achieve wider and more lasting development results is among our most imperative knowledge goals.

Vinod Thomas was appointed Director General of the Independent Evaluation Department of the Asian Development Bank in August 2011. He is a former Director General and Senior Vice-President of the Independent Evaluation Group at the World Bank Group, Country Director for Brazil, and Vice-President of the World Bank Institute. He is the author of 14 books and numerous journal articles on development issues.
EXPERT OPINION

Logic Models: An Important Tool of the Trade

Christina A. Christie
University of California, Los Angeles

The logic model is a graphical organizer in the form of an illustrative description of a program that is developed by program evaluators and stakeholders clearly articulating how program activities will lead to fulfillment of programmatic goals. This kind of analytical program description helps evaluators connect program processes to intended outcomes so that study results can be attributed to the program. In this way, it is a helpful evaluation tool that is beneficial to both evaluators and program managers.

Logic models vary in their composition and structure. A quick Google images search will produce a variety of examples, some of which offer extensive detail while others are more conceptual. However, common components include inputs, activities, outputs, as well as short-term, intermediate, and long-term outcomes. A very important feature of the logic model is the articulation of presumed causal pathways. As a clear articulation of a program, the logic model can be helpful in generating appropriate and useful evaluation questions, selecting the most rigorous evaluation design, identifying appropriate time periods to collect data on the variables in the model, and ultimately in communicating and reporting findings. Logic models sometimes also include a description of programmatic assumptions and indicate the external forces that have the potential to impede or enhance progress towards reaching the stated program outcomes.

Evaluators may utilize the logic model tool at any point in a program’s life cycle. I find it to be particularly useful during the design phase of a program, as the process of engaging key stakeholders in the development of the logic model helps to cultivate a shared understanding of how program processes are theoretically connected to program results and, furthermore, establishes agreement among stakeholders and the evaluator on the focus of the evaluation. Program stakeholders may also find the logic model to be an effective tool for describing the program to external audiences as well as situating the program in the context of a larger organization for internal audiences.

In a short entry written for an encyclopedia, I briefly describe an evaluator’s process of developing a logic model (Christie & Fierro, 2010). I, as well as others, recommend that evaluators review existing program documents, conduct observations, and multiple meetings with stakeholders to obtain...
Logic modeling is only one approach to describing a program. Related techniques include but are not limited to program theories, action models, and impact models. All of these approaches to describing a program are discussed as part of an approach to evaluation known as “theory driven evaluation.”

Various perspectives about what constitutes a successful program. While developing the logic model, it may become apparent that the theory underlying the program is underdeveloped, unclear, or is unlikely to produce the anticipated results based upon findings from previous research studies. In these instances, the program may be modified or refined prior to embarking upon an evaluation. Visual, graphical depictions of the program plan are shared with key stakeholders and revisions are made until there is general agreement on the logical model. It is important to note that logic models are “living documents” that can be revisited periodically and revised based upon program changes resulting from formative evaluation findings or other important program implementation issues.

In addition to developing a logic model, or a similar programmatic representation, evaluators may also work with stakeholders to elucidate and document additional factors that are important to fully describing the program. Specifically, it is important to place the description of the program itself within a broader context. Clearly articulating the need(s) addressed by the program, the context in which it resides (e.g., budgetary considerations, political considerations), the length of time the program has been in operation (i.e., whether the program is in a planning or implementation phase), and the degree of interconnectedness that exists between the proposed program and related endeavors can help the evaluator and stakeholders in designing, implementing, and interpreting the findings and implications of the program evaluation.

Logic modeling is only one approach to describing a program. Related techniques include but are not limited to program theories, action models, and impact models. All of these approaches to describing a program are discussed as part of an approach to evaluation known as “theory driven evaluation.” Evaluation scholars such as Carol Weiss, Peter Rossi and Huey-Tsyh Chen describe these processes in detail in their writings.

References

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Improving Assistance to Fragile States: The Role of Rigorous Evaluation

Annette N. Brown
Deputy Director, Advancement and Impact Evaluation Services
International Initiative for Impact Evaluation (3ie)

The AfDB Operations Evaluation Department’s recently published Evaluation of the Assistance of the African Development Bank to Fragile States concludes that while the AfDB has strengthened its contributions to recovery and reconstruction in fragile states over the last decade, many opportunities to make a difference in capacity building, reconciliation, and statebuilding have been missed. The evaluation argues that the work of the AfDB needs to be guided by more in-depth analyses of fragility and drivers of change. I submit that the AfDB, and all donors interested in peacebuilding, also need more evidence of what programs really work for building peace. This “what works” evidence comes from rigorous impact evaluations.

For understandable reasons, many argue that conducting a rigorous evaluation, including comparison with some kind of counterfactual or control group, is not feasible for peacebuilding programs. In the article “Evaluating Stabilization Interventions”, Cyrus Samii, Monika Kulma, and I examine this claim. We conducted a thorough search of the evaluation literature to identify all the rigorous impact evaluations in ten categories of what the paper terms “stabilization” interventions. We found just over two dozen—a frighteningly low number given the amount of money invested by donors and governments in peacebuilding programs each year.

The good news, though, is that these impact evaluations demonstrate that—in some cases and with some ingenuity—rigorous evaluation of peacebuilding programs is possible. Such impact evaluations reveal what works and what does not for programs aimed at particular peacebuilding objectives, including for example ex-combatant reintegration, social cohesion, and re-educating youth. The article compares this group of impact evaluations with a sample of “regular” impact evaluations to highlight the methodological approaches useful for peacebuilding impact evaluations.

One finding is that, although the majority of the identified impact evaluations employ a randomized controlled trial design, the prevalence of quasi-experimental designs is higher for peacebuilding impact evaluations than in the general sample of impact evaluations. See figure 1. These quasi-experimental designs use statistical techniques and
sometimes take advantage of seemingly random occurrences to construct a counterfactual, which allows for a measurement of the net impact of the program. The paper also shows that peacebuilding interventions are more often rigorously evaluated on a pilot basis instead of as fully implemented programs. The pilot interventions can allow for random assignment evaluation designs that deliver strong results. These approaches to rigorously evaluating peacebuilding interventions make sense given the challenges of fragile settings.

Figure 1. Impact evaluations by design type

The impact evaluations in this small group also demonstrate that the measured impacts of peacebuilding strategies so far are mixed. For example, peace messaging radio programs in Rwanda did change some behaviors in community settings, although without the expected changes to individual social norms. A community reconstruction programs in Sierra Leone did bring material benefits to communities but without the desired effects on social cohesion and inclusion of marginalized groups. We still have a lot to learn about what works.

More good news is that evaluators, along with some policy makers and practitioners, are paying increasing attention to producing and using evidence from impact evaluations to improve the effectiveness of peacebuilding interventions. Certainly impact evaluations cannot provide all the information we need to contribute efficiently and effectively to stabilizing fragile states, but as Cheryl Gray notes in the inaugural issue of eVALUatiOn Matters, the MDBs can benefit from having the right product mix of evaluations, including more focused evaluations of what works. The need for the right mix holds just as true for understanding how to help fragile stages.

Annette Brown is Deputy Director, Advancement and Impact Evaluation Services, and Head of the Washington, DC office of 3ie. Prior to 3ie, she spent more than a decade working as a development practitioner in the sectors of economic growth and governance in Eurasia, Africa, Asia, and the Middle East. Prior to that she held teaching and research appointments at a number of institutions.

She holds a doctorate in economics from the University of Michigan. Her current research concerns peacebuilding evaluation and the impact of public information on governance.
Public Financial Management – Finally Learning the Lessons?

Penelope Jackson, Principal Evaluation Officer, AfDB Operations Evaluation Department

Good public financial management matters. It is about managing the resources that are the lifeblood of public service delivery across all sectors. It is about making states work. As the development community has become more committed to using country systems, the management of public financial systems has become even more central to their agenda. Yet, the results of PFM reform efforts have been very mixed. Why? What lessons can we draw about what works and what does not work and what role external partners can really play? A major joint evaluation (Evaluation of Public Financial Management Reforms) has sought to answer these questions.

Three conditions for success

Three country case studies – Burkina Faso, Ghana and Malawi – helped to draw out key lessons for governments and their development partners. The case study approach emphasized the importance of context for PFM reforms, knowing from previous research that this was a major factor. And what did it find? Boiled down to the barest of bones, the evaluation found that PFM reforms deliver results where all three of the following factors coincide:
• when there is strong political commitment to implementation;

• when reform designs and implementation models are well tailored to the institutional and capacity context; and

• when strong coordination arrangements—led by government officials—are in place to monitor and guide reforms.

Politics, good design and strong coordination matter. This may seem obvious, but we need to understand the detail in order to apply these lessons to what we do instead of continuing to push reforms that have no political backing or government coordination or where the reforms are simply not appropriate for the context.

Lessons for donors
The donor community needs to be more selective in what it does. In practice, this means identifying points of entry, where there is support. When there is commitment, back it and encourage it. Where political backing is absent, only small uncontroversial reforms and laying the ground for future reforms (for example through supporting the development of a cadre of PFM professionals) have a good chance of success.

Donors need to practice what they preach when it comes to alignment and harmonization. In practice, this means, getting behind strong local coordination mechanisms and not undermining good PFM by providing money off-budget and insisting on additional bank accounts specific for their support. The evaluation noted that donor coordination has improved over the 10-year period, but it remains a challenge and is dependent on the government providing leadership.

External partners working on PFM also have a responsibility to provide quality input. Poor advice, and pushing a single reform option that may not be suitable to the country context and capacity, has been a problem during the last decade of PFM support.

Donors also need to work closely with the governments to ensure good monitoring and allow the flexibility necessary to adjust projects where needed. So monitoring is crucial, but so is having the courage to cut your losses to change or even terminate a project that is simply not working. This is management by and for development results.

Interestingly, the evaluation did not observe as high a level of impact on PFM reforms from civil society as expected. However, it recommended continued but targeted long-term support, as well as encouraging linkages with regional professional associations.

Lessons for governments
And for the governments going through PFM reforms—what are the lessons? The first one is about
political support. Over time support needs to be built across the political spectrum, in order to ensure reforms continue when government leadership changes.

Governments also need to take their coordination role seriously, ensuring good staffing and clout for coordination units, and preferably not the same individuals as those in charge of implementing reforms, who may not want to see where projects need to be changed or even thrown out. This coordination function needs strengthening and backing to ensure that external support and internal stakeholders allow it to coordinate.

Monitoring is also fundamental, but not in order to write reports to be filed but to inform project management. Adjustments should be seen as a sign of continuous learning and not of failure, the failure comes when problems that could have been spotted earlier were ignored.

Finally, the evaluation notes the importance of staff capacity in cases where PFM reforms are a success, and highlights the future benefits of investing in a trained cadre of personnel that can turn implementation plans into reality.

More detail on the findings can be found in each of the three country reports, as well as an overarching synthesis report. The big challenge going forward is to think through more of the operational implications of these findings and apply them to how we work.

Penelope Jackson is Principal Evaluation Officer in the Operations Evaluation Department of the AfDB.

Prior to joining the AfDB she worked in the review and evaluation division of the OECD’s development cooperation directorate, and before this she conducted value for money evaluations of the UK’s department for international development on behalf of the national audit office. She holds degrees in Social Anthropology and Development Studies as well as in Violence and Conflict (SOAS, London). P.jackson@afdb.org

About the Evaluation

The evaluation of public financial management reform was commissioned by the evaluation units of the African Development Bank, the Swedish International Development Agency and Danish International development Assistance on behalf of a larger group of donors. The evaluation involved three main components, a literature review (published in 2009) a quantitative study (published in 2011) and finally three country case studies: Burkina Faso, Ghana and Malawi.

The full reports are available on the AfDB website: http://www.afdb.org/opev
Inside the AfDB Evaluation Department

Evaluation ... in pictures

A recent ECoP in pictures: Is the Bank ready for climate change? To find out more about OPEV’s Evaluation Community of Practice, see pages 27 and 28
Evaluation in action: Pictures from OPEV’s recent assessment of the Bank’s regional strategy and multi-national operations (read article on pages 20–22). Field work is an important part of OPEV evaluations.
Evaluation of the Bank’s Regional Integration Strategy and Multinational Operations: What have we Learned?

Eneas Gakusi, Chief Evaluation Officer, AfDB Operations Evaluation Department

While financing multinational operations (MOs) is part of the Bank’s mandate, it is only since 1998 that it became one of the top priorities of the Bank’s policies and strategies. The Operations Evaluation Department’s evaluation of the Bank’s multinational operations assessed the relevance and consistency of the Bank’s Regional Integration Strategy and the effectiveness of its MOs. It found that although the process from the 2000 policy to the 2009 Strategy was long, the Bank’s approach to regional integration and MOs is effective. However, the evaluation highlights limitations in achieving higher effectiveness that management should address.

Highlights of the evaluation
The evaluation found that the Bank has developed an increasingly coherent strategic and operational framework to guide its assistance towards regional integration in Africa. In particular, the Bank’s capacity to implement its regional integration mandate has improved significantly with the creation of the Department of NEPAD, Regional Integration and Trade (ONRI) in 2006. ONRI produced the Regional Integration Strategy in March 2009, as well as several programmatic documents, and participated in the preparation of Regional Integration Strategy Papers. This has strengthened the Bank’s strategic vision and its capacity to be selective in financing MOs with the African Development Fund. At the same time, it has improved alignment between national and regional development priorities.

Over the last decade, MOs have grown significantly, from about 6% in 2000 to over 15% of total Bank approvals in 2010. The earmarked African Development Fund resources since 1999 and the financial incentives provided by the Bank for MOs contributed to this increase. Transport and finance are the main priorities, accounting for 39% and 31% of MO approvals, respectively. About 50% of MO approvals were devoted to operations that cut across regions, followed by East Africa, with 18%, and West Africa with 15%.

The analysis of 24 Project Completion Reports MO showed that all of them, but one, were fully relevant. The evaluation found that these operations responded to compelling needs while addressing key sectors for regional economic and social development such as power, transport, education, health and trade. In general, the operations achieved their
objectives no less effectively than single-country operations. A possible explanation for this could be that MOs usually undergo a more rigorous selection process and due diligence than single-country operations. Case studies carried out for this evaluation have found that the idea of projects evaluated took decades to realise. As for single country operations, MOs have difficulties in adhering to planned costs and timelines, and in sustaining results after the completion of operations. It should also be noted that increased alignment of national and regional priorities has not been always matched with strong option analysis, adequate cost-benefit analysis (especially for non-infrastructure projects) and risk assessment.

The evaluation also found that non-infrastructure MOs recorded lower levels of performance than infrastructure counterparts and that capacity building and other soft components were often neglected or abandoned. Key factors of good performance identified include country commitment and ownership, implementation and governance arrangements, as well as a conducive policy environment. Also, the contribution of operations to development outcomes is more likely to be sustainable if accompanying measures and policy reforms are adopted at country level.

The Way Forward

The evaluation stresses that to gain better understanding of its support for regional integration, the Bank needs to better define and identify operations that contribute to regional integration. In fact, all MOs do not have an explicit link to regional integration. This is especially true for the private sector operations channelled through equity funds. In this respect, the role and impact of the private sector, including the need to clarify whether a private sector operation is contributing to regional integration, should be better explained. Also, several single country operations, such as those of seaports, airports, agricultural research institutes, institutions for higher education and health, contribute to regional integration, though they are not identified by the Bank’s databases as regional operations (that is, multinational and national operations with regional effects).

The Bank also needs to be selective in addressing soft constraints, which include institutional, regulatory and administrative bottlenecks that stand in the way of regional integration. Likewise, to make a difference in financing Regional Public Goods, the Bank should select specific sectors, given the limited resources available.
The evaluation recommends that the Bank should better integrate and coordinate different Bank complexes and field offices. It underlines that much remains to be done to improve the quality at entry of operations, especially with reference to the context, implementation arrangements, technical aspects, including cost-benefit analysis and risk assessment; address capacity and incentives issues; adapt the single country business model to MOs; allocate more time and resources for design and supervision; increase implementation efficiency; sustain results, including through policy dialogue with countries and regional organizations; and monitor and report results at regional and national levels.

Despite sizable and increasing amounts allocated to MOs, the key issue of how to meet the growing demand for MOs in Africa remains. To address this severe financing gap, the Bank’s Regional Integration Strategy recognises that the role of the Bank in promoting regional infrastructure has to go beyond providing capital investments and be targeted to leverage the existing funds through co-financing agreements and effective mobilisation of private sector resources. The extent to which these options are succeeding is still to be evaluated.

The evaluation received strong support from AfDB Management, which agreed with the findings and recommendations. CODE members acknowledged that the evaluation raised real issues and that it contained useful recommendations for the Bank. Management was urged to effectively implement them.

Albert-Eneas Gakusi is Chief Evaluation Officer in the Operations Evaluation Department of the AfDB.

Prior to joining the AfDB, he was a researcher at the Institut de Recherche pour le Développement (France) and the OECD Research Center (Paris). He was also a consultant for the World Bank, and an assistant in the National University of Rwanda. He holds a PhD in Economics from the Institut d’Etudes Politiques de Paris. He trained in Econometrics and Structural Modelling at Essex University (UK) and in Collective Actions Analysis at Universities of Bordeaux 1 & II.

He has published on health, education, population economics, evaluation, infant mortality, governance and regional integration. a.gakusi@afdb.org

About the Evaluation

The AfDB Operations Evaluation Department undertook an evaluation of the Bank’s Regional Integration Policy and Strategy as well as multinational operations (MOs) approved between 2000-2010. The evaluation consisted of a desk review of the Bank’s policy documents, an analysis of the quality at entry, the portfolio and the effectiveness of completed multinational operations.

This was complemented by three case studies in the infrastructure sector in Eastern, Southern and Western Africa.

Fostering Regional Integration in Africa: An Evaluation of the Bank’s Multinational Operations, 2000-2010 is available at www.afdb.org/opev
• **Mainstreaming Environment in the Road Sector:** This evaluation aims to help strengthen the Bank’s efforts to (1) ensure that appropriate environmental standards are met in the infrastructure activities it finances and (2) provide a supportive enabling environment for mainstreaming. The evaluation focuses on road transport projects approved between 1999 to 2010 – which constitute the largest share of the Bank’s infrastructure portfolio. It reviews specific projects and the policy environment in three case study countries: Uganda, Cameroon and Morocco.

  *Task manager: Detlev Puetz*

• **Economic and Sector Work (ESW):** The purpose of this work is to evaluate the Bank’s ESW over the period 2005-2010, draw lessons and formulate recommendations to improve the effectiveness of future ESW activities. Specifically, the evaluation will (i) investigate what the Bank has done, (ii) assess the process and management of ESW at the Bank and (iii) identify what should be done to improve the performance and relevance of the Bank’s ESW.

  *Task manager: Guy-Blaise Nkamleu*

• **Integrated Water Resource Management (IWRM):** This evaluation aims to assess the extent to which the Bank has implemented its IWRM policy. It considers its continuing relevance to regional member countries and the extent to which it contributed to the achievement of sustainable results in the water sector. The evaluation reviews the Bank’s water portfolio over the period 2000 to 2012, including water supply & sanitation, hydropower, water resource management and irrigation projects.

  *Task manager: Ramesh Adhikari*

• **Transport sector:** The purpose of this evaluation is to inform the future strategic and operational directions of the Bank’s assistance in the transport sector. The evaluation will take stock of the results of the Bank’s assistance, assess how the Bank has responded to emerging trends such as urbanization or climate change in the transport sector, and draw lessons for future directions.

  *Task manager: Hajime Onishi*

• **Strengthening institutions in the governance area:** The purpose of this evaluation is to support the Bank to achieve its objectives in the governance area by helping it to improve how it works to strengthen governance-related institutions at both country and regional levels. The evaluation will focus on Institutional Support Projects, situating them within the broader context of Bank and other efforts to support institutions, for the period 2002 to 2012.

  *Task manager: Penelope Jackson*

• **Joint Independent Evaluation of the Climate Investment Funds (CIF):** In 2011, the independent evaluation departments of the five involved Multilateral Development Banks, including OPEV, agreed to conduct a joint evaluation of
the global Climate Investment Funds (CIF) that were established in 2008. The principal purposes of the evaluation are to review the degree to which the CIFs have been operated in accordance with governance and design documents; assess the efficiency and effectiveness of CIF operations; and inform the design, strategy and operation of the Green Climate Fund being currently designed.

Task manager: Detlev Puetz.

- **Trust Fund Evaluation**: The purpose of this evaluation is to assess the effectiveness and efficiency of the Bank’s Trust Fund processes; their creation and design, management and administration, M&E and reporting. The evaluation will focus on twenty-eight bilateral and thematic Trust Funds that are overseen by the Bank’s Partnerships Unit (ORRU). A comparison will be made with Trust Fund management at other MDBs.

  Task manager: Detlev Puetz

**Project Performance Evaluation Reports (PPER)**

- **PPER - Guinea : PAAEF (Projet d’appui aux activités économiques des femmes)**
- **PPER - Cameroon : PREPAFEN (Projet de réduction de la pauvreté et actions en faveurs des femmes dans la peine)**

These two evaluations aim to objectively assess the (1) relevance and coherence of project objectives; (ii) extent, effectiveness and efficiency with which immediate, intermediary, and final results were achieved; (iii) additional outcomes achieved; and (iv) sustainability of results and the institutional impact of each project. The evaluations will formulate recommendations that will (i) provide a basis for accountability to the Bank’s Board and relevant governments with respect to the project’s contribution to targeted development objectives; (ii) draw lessons to help improve the Bank’s future operations; and (iii) contribute to subsequent thematic evaluations. The evaluations will also examine the relevance, effectiveness, efficiency, impact, and sustainability of these two projects.

  Task manager: Anne Dao Sow

- **PPER - Zambia Central Province Water Supply and Sanitation Project**
- **PPER - Mozambique Maputo Water Supply Rehabilitation Project**

These two evaluations aim to account for the Bank’s investments in projects and to bring out key lessons to help improve the Bank’s future operations in the water supply and sanitation sector. Towards this end, each evaluation will assess the results of the project and its sustainability; assess the performance of the Bank and Governments of Zambia and Mozambique, as applicable, in delivering the project; and draw lessons and practical recommendations.

  Task Manager: Madhusoodhanan Mampuzhasseril
Review of the African Development Bank’s Operational Procurement System

The overall objective of this evaluation is to inform the Bank’s operational procurement strategy through an assessment of the relevance, efficiency and effectiveness of its policy, processes, procedures and institutional settings for the procurement of goods, works and services with a view to achieving greater value for money and ensuring the mandatory fiduciary safeguards.

Task Manager: Madhusoodhanan Mampuzhasseril

- PPER - Rwanda PNEAR
- PPER—Sénégal Projet d’Assainissement de la Ville de Dakar
- Cluster Evaluation on Roads Upgrading Sustainability
- Multisite Evaluation on Multinational and International Roads
- REPP – Mauritanie – Projet d’approvisionnement en eau potable de la ville de Nouakchott –« Aftout Essahli »

These evaluations aim to assess the performance of the different projects listed. The evaluations will generate information, knowledge, and recommendations that will help improve the Bank’s current and future operations, policies and strategies in the related sectors. The findings of these evaluations will also inform wider OPEV evaluations of the Bank’s effectiveness in the relevant sectors.

Task Manager: Joseph Mouanda

Independent Review of AfDB’s Non-Sovereign Portfolio

The key objective of this evaluation is to conduct an independent review and assessment of the Bank’s current non-sovereign operations (NSO) strategy. It will also assess the performance of the portfolio of approved NSO projects with respect to alignment with the established strategic private sector development (PSD) objectives and priorities. This includes, in particular, a general assessment of the expected catalytic and demonstrational nature of the NSO portfolio and its likely impact on private sector expansion and economic growth in Africa.

The evaluation will also assess the NSO portfolio from the perspective of prudence and risk appetite by taking account of its risk profile and distribution over sectors and countries and the appropriateness of current risk capital utilization procedures and limits in relation to its potential impact on AfDB’s overall credit rating. It will also benchmark and compare the Bank’s NSOs with those of selected sister MDBs/DFIs.

The outcome of the evaluation is expected to provide critical guidance for the implementation and possible improvement of the new PSD strategy as well as the formulation of a new three-year business plan for PSO. It will also include a review and assessment of the Bank’s comparative advantage of engaging in NSOs, the appropriateness of its institutional set up for effective NSO business implementation and its work processes, as well as its capacity to manage the growing NSO portfolio. From a strategy perspective,
the evaluation will consider recommendations to improve the PSD strategy based on the findings of the performance and alignment of the NSO portfolio to the 2008-2012 strategy.

*Task Managers: Grace Kyokunda and Hadiza Guimba*

**Assessment of Independent Quality at Entry of African Development Bank-funded Operations, 2009-2012**

This QAE assessment was requested by AfDB Management as part of its response to recommendations in the 2009 QAE—a response endorsed by the AfDB Board and Committee on Development Effectiveness of Management in (i) enhancing and sustaining the QAE performance of Bank operations, and (ii) accounting not only for the status of quality at entry of operations, but also for the effectiveness of QAE reforms.

The 2012 QAE assessment aims to accomplish the following:

- Assess the QAE performance of Bank operations; Bank-wide, sector departments and funding source (African Development Fund; African Development Bank) to determine whether the QAE of approved operations has improved over the 2005-2012 period.
- Assess the relevance, coherence and effects of the relevant Bank QAE reforms during 2005-2012, in particular, the overall review process and procedures, and the enhanced matrix management, on the QAE of approved operations, and how the reforms helped, limited or were neutral on QAE improvements.
- Assess other factors facilitating or limiting QAE improvements.
- Assess the extent of implementation of the recommendations of the 2009 independent QAE.
- Draw relevant lessons learned for improving QAE of operations.
- Provide appropriate recommendations for improving the QAE of AfDB public sector operations.

*Task Manager: Foday Turay*
The Operations Evaluation Department of the African Development Bank is giving new meaning to the notion of a community of practice. Launched recently, the ECoP (Evaluation Community of Practice), as it is known within the department, has evolved to become a forum where evaluators, the evaluated (task managers and department directors) and executive directors meet to talk.

*Let’s Talk*, is probably a more appropriate name for this safe and non-threatening space created by OPEV to exchange knowledge with task managers and all interested in the findings of its evaluations. In this space, the emphasis is on exchanging knowledge. In this space, everyone can tell his or her story – the evaluator, the evaluated, the director, the executive director. Everyone has a story to tell. Perhaps this explains the success of these events: they offer participants a chance to tell their story, a chance to defend their work, their ideas, a chance to belong to a community, even if only for one day. Equal billing with the evaluator who evaluated your work.

Some of the intense debates have centred on such issues as the AfDB’s microfinance operations (see write up in this issue), Is the evaluator always right? (see the Spring issue of *eVALUation Matters*).

The topic of the September ECoP was: Is the AfDB Ready for Climate Change? It was a full house despite constraints related to the location of the meeting and local security conditions. What does this tell us? Everyone welcomes an opportunity to tell their story, to make their voices heard. This is the essence of communications: a two-way street.

The core members of the AfDB Evaluation Community of Practice are OPEV staff. Depending on the topic and evaluation under discussion, staff from other departments are invited to participate. This regular infusion of different groups of people with different expertise keeps the ECoP a vibrant place. Have something to say? Join us for our next ECoP. *Let’s Talk!*

Felicia Avwontom is Principal Knowledge Management Officer in the Operations Evaluation Department of the AfDB. Prior to joining the AfDB, she worked in the public and private sectors in North America in such areas as knowledge management, editing and translation. The latter for international development institutions, including for the World Bank and the African Development Bank.

She holds masters degrees in Knowledge Management and in Translation, as well as a Graduate Certificate in Public Relations. She is currently pursuing a Masters in Business Administration (MBA).
Microfinance: Development Business or Another Business?

Ann Sow Dao, Principal Evaluation Officer, AfDB Operations Evaluation Department

The AfDB’s support for microfinance is spread across several operations in various sectors as project sub-components. Although the Bank has had a microfinance strategy since 2006, to date, only a few projects that are focused exclusively on microfinance have been designed.

A recent evaluation of the microfinance components of a number of poverty reduction / women empowerment projects raises questions about the Bank’s support for microfinance. To examine these questions, Ann Sow Dao, AfDB Principal Evaluation Officer, invited experts from different sectors to share their thoughts on the effectiveness of the Bank’s microfinance activities. This article summarizes the rich and informative discussion that took place during an Evaluation Community of Practice discussion.

What the evaluation indicates

The microfinance components of projects are designed to financially include the poorest in the remotest communities and thus contribute to inclusive development in regional member countries (RMCs). However, high interest rates and transaction costs place this assistance out of the reach of those at the bottom end of the vertical poverty continuum. Nonetheless, the evaluations find that related objectives—to fight poverty by helping the poorest emerge economically—are consistently relevant, that is, they are consistent with the strategic choices of the Bank and the concerned RMCs, although the link between microfinance and growth has not yet been established. This confirms the importance of microfinance as a development tool. However, the Bank’s fragmentation of microfinance activities and limitation to transaction level rather than to the creation of an enabling environment and strengthening of the capacity of financial institutions raises questions about whether the Bank is doing the right things right.

Six discussants; six perspectives

1. Human development (socioeconomic inclusion) perspective. Microfinance should be understood within the context of the current global financial and food crisis, which worsens the situation of the poorest. It is important to act at several levels in order to attain the development goals set for the poorest segments of the population in African countries. The Bank’s current microfinance strategy, developed in 2006, does not create an enabling environment for pro-poor development. The revision of the strategy should take this weakness into account.
2. **Private sector perspective.** Are microfinance investments financially viable? This is crucial to achieving development outcomes, as it would allow reinvestment of profits. The role of each player in microfinance is crucial for this to happen. The government’s role is to develop both hard (roads, railway...) and soft (IT, regulations...) infrastructures. Development finance institutions like the Bank should strengthen the capacity of local financial institutions to ensure better support for microfinance institutions (MFIs). So far, the Bank’s interventions have consisted in identifying local financial institutions, providing direct equity and technical assistance to build capacity in terms of IT, management, and so on.

3. **Gender equality perspective.** What is microfinance used for? This question raises the issue of access to microfinance services for the poorest and the effectiveness of microfinance in promoting gender equality. Interest rates charged by MFIs on loans to the poor are very high (20 to 40%) compared with the rates offered by more established financial institutions. Development institutions should consider subsidizing MFIs in order to reach the poorest of the poor, especially women, who represent the majority of the poorest of the poor.

4. **Rural development perspective.** Microfinance can be used to finance agribusiness, which has a lot of income generation and employment creation potential. For instance, many women in the rural sector have small-scale businesses that need financing to grow—without which they fail. Microfinance is not being used to promote the emergence of thriving women businesses. This is the result of the strategic choices made by
governments and their development partners to prioritize larger scale enterprises thus undermining the potential of small businesses that could gain from microfinance.

5. **Microfinance development perspective.** Microfinance institutions need to be categorized to better target the poor. In addition, the Bank's strategy should take into account the context of recent crises (financial crises, climate change) that have had a negative impact on the poor. Low capacity issues in MFIs should be addressed by opting to subsidize these entities, thus reducing the high transaction costs and high interest rates associated with the services they provide. With respect to the Bank's interventions, its contribution through microfinance is not likely to improve the living conditions of the poorest unless it changes how it does business in microfinance.

6. **Economic growth perspective.** Microfinance does not have a significant impact on economic growth and job creation. This is because it is used primarily to finance non-tradable services with low value-added (small business). Therefore, there is a need to be proactive and to shift microfinance interventions in favor of sectors such as agriculture, which offer a lot of potential to benefit the poorest in terms of generating employment and also contributing to inclusive growth.

Synthesis of **main challenges** for the Bank’s interventions in microfinance: the problem lies in how to reach the poorest in order to impact development in RMCs. The focus on the financial sustainability of microfinance excludes this segment of the population and negatively affects women entrepreneurship. In cases where the Bank has used microfinance as an instrument to financially include the poorest—those who have no access to existing financial services—high interest rates (as high as 40% in some cases) have limited the achievement of the expected outcomes. Participants suggested that the Bank subsidize endogenous microfinance entities to reduce transaction costs and ensure provision of microcredit to rural populations, who are excluded from traditional financial services. Applying this to agribusiness, where there is a great deal of economic potential, would positively impact the achievement of development outcomes. The development outcome additionality would thus be stressed against the profitability of the microfinance investment.

These different perspectives underscore the need for the Bank to explore alternative options for implementing microfinance in RMCs. Participants pointed to the benefit for the Bank to strengthen its use of microfinance as a tool for achieving its longer-term development goal, which is inclusive growth for poverty reduction. Participants suggested that the Bank, as the premier financial institution in Africa, should (i) allocate more resources (human and financial) and implement more microfinance interventions and thus increase its presence in rural areas; (ii) contribute to the improvement of microfinance regulation in RMCs; and (iii) enhance its own risk assessment capacity, in order to better contribute to the development of microfinance in Africa.

*Experts who participated in the discussion: Mohamed Kalif, Division Manager, private sector perspective; Etienne Porgo, Lead Human Development Specialist; Ferdinand Bakoup, Lead Economist; Yeshiareg Dejene Chief Gender Expert; Gisela Geisler, Principal Gender Expert; Jeanne Nzeyimana, Principal Microfinance Expert; Lilian Wanjiru Macharia, Private sector perspective; Zeneb Toure, Principal Civil Society Engagement Officer; Ali Eyeghe, Principal Social Protection Specialist; Hailu Makonnen, Consultant (OPEV).*
Private Sector Evaluation: A Necessity for Continuous Improvement

Hadizatou Guimba, Principal Evaluation Officer, AfDB Operations Evaluation Department

The Bank conducts both sovereign and non-sovereign operations (NSO) in the form of loans, lines of credit, guarantee, equity investments or selective technical assistance. The key reason for extending financing to NSOs is so that they can promote private sector development (PSD), thus contributing to sustained economic growth and poverty alleviation in regional member countries (RMC). Participants in the Fourth High-Level Forum on Aid Effectiveness in Busan confirmed that effective aid involves recipients beyond country governments, including civil society and the private sector. NSO projects should be designed to address particular needs, which, if well addressed, could have a significant impact on the targeted populations.

Given the increasing role of NSOs in helping the Bank attain its objectives of economic growth and poverty reduction in Africa, it became necessary to conduct a critical assessment and review of the Bank’s NSOs. OPEV’s independent evaluation of NSO projects aims to strengthen accountability.

Toll Road Construction Project

Input: Loan
- Approval of project loan
- Availability of funds

Activity: NSO
- Feasibility studies
- Procurement
- Execution

Output
- Toll Road Built

Development Outcomes
- Improved living conditions
- Poverty Reduction

STRONG MONITORING AND EVALUATION SYSTEM

Lessons learned from project evaluations are used for continuous improvement of similar projects to enhance the Bank’s development effectiveness.
Evaluation is a key part of the Bank’s project cycle. It helps ensure the continuous improvement of future projects based on lessons learned from past operations. In fact, evaluation of private sector operations is crucial for determining the real effects of such investments on people’s lives and for improving the Bank’s development effectiveness.

NSO performance evaluations assess projects on the basis of:

(i) Development Outcomes (DO): This focuses on projects’ contribution to private sector development in the country or the region, their business success or financial performance, their economic development and their positive social and environmental impact.

(ii) The Bank’s investment profitability: This dimension assesses the borrower’s debt service capacity. It indicates the borrower’s ability to repay the loan and to stay current on its payments until the end of the project cycle. A few financial ratios are calculated to determine the Bank’s investment returns: internal rate of return (IRR) or return on invested capital (ROIC). Investment profitability is as
important as development outcomes and cannot be sacrificed in exchange of development impact; thus focusing on the Bank’s double mission.

(iii) Quality of the Bank’s work: this evaluation element measures the Bank’s operational effectiveness in two main areas: (i) screening, appraisal and structuring of private sector operations; (ii) monitoring, supervision and administration. This dimension assesses not only the front-end of the transaction, but also its execution, monitoring and supervision. Evaluation will determine whether the relevant departments of the Bank have fulfilled their roles in compliance with the Bank’s private sector operations guidelines.

(iv) Bank’s additionality: this aspect is evaluated to assess the extent to which the private sector operation was indispensable to the materialization of the project. During the financial crisis, the Bank stepped in to help restore financial system liquidity for leading banks in Africa. In this particular case, for example, an evaluation of the Emergency Liquidity Facility would highlight the Bank’s role and contribution in strengthening financial systems in RMCs.

Based on these evaluation dimensions, both qualitative and quantitative, the Bank’s evaluation system is able to deliver measurable results by capturing the broader impact achieved by the NSO projects on the intended beneficiaries. The ultimate goal of private sector evaluations is to generate knowledge what works or does not work in order to learn useful lessons from project success or failure. OPEV’s private sector evaluations will certainly enhance the private sector contribution to development, thus satisfying shareholders’ appetite for results.

Hadizatou Guimba is Principal Evaluation Officer in OPEV. She previously worked as a Program Officer and Senior Budget Officer in the Bank. Before joining the Bank, Hadizatou worked in Washington DC in both the public and private sectors, including as Financial Analyst and Senior Program Manager on development projects.

She holds an MBA degree from University of Maryland, a DESS in Dynamics of Development and a Bachelor’s Degree in Business Administration, both from the University Pierre Mendes France in Grenoble, France.
Call for Essays

Essay contest to Mark the 25th Anniversary of the Operations Evaluation Department of the African Development Bank

Background
To commemorate its 25th anniversary, the Operations Evaluation Department (OPEV) of the African Development Bank (AfDB) is launching an essay contest on evaluation in Africa. The top three winners will receive both financial and non-financial prizes as described below. The winner of the 2012 competition will receive a prize during the upcoming 2012 AfDB Evaluation Week, which will take place in Tunis, Tunisia, from December 3 to 6, 2012. The theme of the week is "Evaluation Matters for Development in Africa".

The essay contest will also help in raising awareness on the importance of development evaluation in Africa’s pursuit of prosperity.

Topic
In line with the theme of the 2012 Evaluation Week, the essay topic is “Real world African evaluations in Africa that made a difference”.

The essay should focus on the utilization of evaluation findings, lessons and recommendations by decision-makers, and how they led to changed policies, strategies, practices, projects or governance. Ideally, the essay should be based on one or several specific evaluation case studies.

Key points to address:

- The challenges the evaluators faced in making their evaluation(s) relevant, used, and useful; and how utilization can be enhanced.

- The specific elements that helped make a difference, for instance, stakeholder engagement, formulation of meaningful and useful evaluation questions/issues, appropriateness of method(s), evaluation plan, management of quality assurance, or specific efforts in ensuring dissemination, publication and use of key findings.

- What could or would have happened without the evaluation.

Prizes
- First Place:
  (i) USD 1,000 (one thousand U.S. dollars)
(ii) Paid trip to attend the 2012 AfDB Evaluation Week, during which the prize will be awarded, and
(iii) Publication of the essay in “eVALUation Matters”; OPEV’s quarterly publication.

- Second Place: USD 750 (Seven hundred fifty dollars) and publication of the essay in eVALUation Matters.

- Third Place: USD 500 (Five hundred dollars) and publication of the essay in eVALUation Matters.

Eligibility
- Africans (s) who participated in an aspect of the evaluation(s) of interest – for example, managing, designing, executing and ensuring use of the evaluation.

- The evaluation(s) of interest must have been based in Africa.

Submission
Submit your essay, which must not exceed 4,000 words (written in English or in French; in Microsoft Word; 12 pt font size; double spacing) to 2012essaycontest@afdb.org by 24:00 hours (GMT), on 11th November 2012.

Selection Process and announcement of winners
- A panel, comprising five AfDB staff from the Research, Policy and Evaluation Departments, will select the three best essays.

- Winners will be informed by 20th November 2012.

Bank rule/code of conduct applies for any staff winner(s).
About the AfDB:
The overarching objective of the African Development Bank Group is to foster sustainable economic development and social progress in its regional member countries (RMCs), thus contributing to poverty reduction. The Bank Group achieves this objective by mobilizing and allocating resources for investment in RMCs; and providing policy advice and technical assistance to support development efforts.

The mission of the Operations Evaluation Department is to help the Bank to foster sustainable growth and poverty reduction in Africa through independent and influential evaluations. Such evaluations assess the Bank Group’s policies, procedures and operations, review performance and report on results in order to draw useful lessons and promote accountability.

Operations Evaluation Department, African Development Bank
Website: www.afdb.org/opev
Write to us: opevhelpdesk@afdb.org

Win a Cash prize and/or a Trip to AfDB Evaluation Week in Tunis: Details Inside!