

Chair's Summary of the Development Effectiveness Committee

23 November 2017

I. Lessons from Country Partnership Evaluation: A Retrospective

1. **Nature, Methodology, and Objective.** The Development Effectiveness Committee (DEC) discussed the synthesis paper on country evaluations prepared by the Independent Evaluation Department (IED). The Director General (DG) of IED introduced and highlighted the learning nature of the document. He explained that it originated from an earlier discussion with the ADB President on the usefulness of Country Partnership Strategies (CPS). Regarding methodology, IED shared that they synthesized the key lessons gathered from the Country Assistance Program Evaluations (CAPEs) and validation reports from 2010 to 2017, and examined the role of CPSs in shaping the portfolio and ADB strategic agendas and drivers of change. The paper did not include feedback from governments and development partners and it was too early to fully take into account the effects of the new CPS guidelines on the efficiency and effectiveness of the CPS preparation. Some DEC members pointed out that the paper should have made clearer that the intent was to inform everyone about the lessons of previous CPS evaluations, and not to provide accountability. The audience of the paper should have been indicated more prominently. A DEC member noted that the Management's feedback on the paper could have stemmed from a divergent perception about the nature and objective of the document. The DEC Chair agreed that there should have been clarity on the objective of the paper, and that it should be considered a learning tool, and not an evaluation, to avoid different interpretations. He further highlighted the importance of early engagement between IED and Management to have a better understanding of the work of IED.

2. **Lessons learned.** IED highlighted the ten key lessons. It concluded that CPSs do add value to ADB's operations, by articulating ADB's agendas and drivers of change, and by pursuing synergies across sectors and the work of development partners. IED also concluded that a simplification of CPS formulation should not weaken its diagnostic analysis. Finally, IED stated that it is too early to assess the effects of the 2016 CPS reforms.

3. **On CPS Results Framework.** IED noted that there is still work to do regarding ADB's country results framework, a central part of the CPS. DG, IED explained that a clear and measurable country results framework is important to assess the progress and the success of a CPS. DEC members noted difference of views between IED and Management, and asked IED to clarify their position. DG, IED reported to DEC that Management has offered to look into the country results framework in 2018 and to work together with IED on this.

DG, CWRD stressed the importance of having a framework upon which projects are to be evaluated and acknowledged the good intention of the lessons enumerated by IED. He further suggested to have these included in a checklist of things for staff practitioners when they do a CPS. DG, IED was agreeable to this idea.

4. **On Multitranches Financing Facility (MFF).** DG, IED clarified that the paper highlighted a specific lesson gathered from the CAPE for India, and that there was no misunderstanding on this lesson with representatives of the Government of India. The Management response had noted that the core intended benefits of MFF are not increased efficiency as IED had posited in the paper but predictable financing, policy reforms, and institutional capacity development. A DEC member expressed his sympathy towards Management's view.

5. **Management feedback.** The Management (DG, SPD) response had expressed a concern regarding the timeliness of the paper, as it had gathered data and lessons on CAPEs and CPSs prepared prior to the 2015 reform, that many lessons were considered too generic, and that many had already been addressed as part of the 2015 reform. He informed DEC that SPD had undertaken a CPS reform in 2015 that had called for a synthesis of a number of diagnostic studies into a new Inclusive and Sustainable Growth Assessment. On the paper's point about CPSs needing to focus more on how to improve the sustainability of the programs supported, he remarked that the issue is most acute in the road and water subsectors, in which poor

operations and maintenance was found to be the main obstacle together with inefficient financing. He reported that over the last years, operations have been integrating maintenance funding solutions at design stage. However, as IED reported, the issue still requires concerted and ongoing efforts. On the issue of the country results framework, the DG highlighted two key issues: 1 – selecting targets for the CPS pipeline of five years is very difficult, as many projects completed within the five years were designed according to preceding CPS or even before, therefore they should actually look at projects approved long time ago and then started to be implemented before the CPS is actually in place; 2 – on the measurable contributions of ADB at sector level, we need to be realistic as ADB's resources are a small percentage of the overall resources at national level. He remarked that these are practical constraints and that IED's practical and specific suggestions are welcome.

6. **Next steps.** All DEC members agreed on the usefulness of the paper as a learning tool. Some DEC members proposed to have an informal discussion among IED, Management and Board members particularly representing developing member countries (DMCs). This tripartite meeting will give everyone the opportunity to delve further into the lessons learned, find out about the practical constraints of those in the operational departments and formulate solutions.