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**2018 Development Effectiveness Committee Annual Report Summary**

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1. In 2018 the Development Effectiveness Committee (DEC)<sup>1</sup> discussed the evaluation studies conducted by the Independent Evaluation Department (IED) pertaining to ADB policies, strategies, and completed operations. This annual report summary covers the period of 1 January to 31 December 2018.

### **Members of the Committee**

2. Members of the DEC in 2018 included Director Syurkani Ishak Kasim who served as the Chair from January to December 2018. Other Board members who served as members of the committee were Director Shahid Mahmood, Director Anuar Bin Ariffin, Director Philip Rose, Alternate Director Masashi Tanabe and Alternative Director Scott Dawson.

### **Discussions**

3. The DEC in 2018 held 10 meetings in total (Appendix 1). The committee reviewed IED's findings and recommendations on ADB's institutional and development effectiveness and provided feedback to IED and ADB Management. The DEC gave feedback on thematic, corporate and sector-wide conducted by IED, including (i) Pacific Private Sector Development Initiative; (ii) ADB's policy-based lending; (iii) ADB's support for small and medium-sized enterprises (SMEs); (iv) ADB's support for state-owned enterprises (SOEs); (v) ADB's support for Agriculture; and (vi) ex-post impact evaluation of a project in Nepal.

4. The DEC also discussed key points raised from its review of IED reports and discussions with Management—including selected chapters of the 2018 Annual Evaluation Review (AER) and the 2017 Annual Portfolio Performance Report (APPR).

5. Finally, from 2017-2018, the DEC commissioned an external review of IED<sup>2</sup> to assess its effectiveness with respect to the quality and appropriateness of its work, the implementation of recommendation and their impact on ADB operations, and the robustness of the department's institutional capacity.

### **Document Links**

4. For links to the IED report, Management Response and Chair Summary which summarizes the discussion of each DEC meeting, please refer to Appendix 2. For highlights on IED's 2018 Activities, please refer to Appendix 3.

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<sup>1</sup> ADB. Terms of Reference of the Development Effectiveness Committee of the Board of Directors. <https://www.adb.org/sites/default/files/institutional-document/32128/tor-dec-2011.pdf>.

<sup>2</sup> An External Review of the Independent Evaluation Department of the Asian Development Bank <https://www.adb.org/documents/adb-independent-evaluation-department-external-review>

**DEVELOPMENT EFFECTIVENESS COMMITTEE  
2018 MEETING PROGRAM  
SCHEDULE OF MEETINGS**

22 February	Pacific Private Sector Development Initiative (CE) Evaluating the Evaluators - Discussion on Final Report
21 March	IED's Knowledge Management Strategic Plan (Special Meeting)
3 April	2018 Annual Evaluation Review (Special and Recommendations Chapters)
24 April	Discussion of the 2017 April Portfolio Performance Report
20 June	Alternative Approaches for Learning from Evaluation: (1) Impact of Cost-Shared Water Supply Services on Household Welfare in Small Townes: Ex-Post Impact Evaluation of Project in Nepal; and (2) Leading Factors of Success and Failure in ADB' Sanitation Projects
2 July	Policy-Based Lending (CE)
05 September	ADB Support for Small, and Medium-Sized Enterprises (TE)
8 October	IED Work Program for 2018-2020 and 2018 Budget
12 November	ADB Support for State-Owned Enterprises (TE)
22 November	ADB Support for Agriculture (SE)

CES - Corporate Evaluation Study; TES - Thematic Evaluation Study; SE – Sector-Wide Evaluation Study

**DEVELOPMENT EFFECTIVENESS COMMITTEE  
2018 MEETING PROGRAM  
LINKS OF REPORTS**

- 1. Pacific Private Sector Development Initiative**
  - a. Report: <https://www.adb.org/documents/pacific-private-sector-development-initiative>
  - b. Management Response: <https://www.adb.org/sites/default/files/evaluation-document/370546/files/mr-psdi.pdf>
  - c. Chair Summary: <https://www.adb.org/documents/chair-summary-committee-discussion-22-february-2018>
- 2. Evaluating the Evaluators**
  - a. Report: <https://www.adb.org/documents/adb-independent-evaluation-department-external-review>
  - b. Chair Summary: <https://www.adb.org/documents/chair-summary-committee-discussion-22-february-2018>
- 3. Knowledge Management Strategic Plan (Special Meeting)**
  - a. Chair Summary: <https://www.adb.org/documents/chair-summary-committee-discussion-21-march-2018>
- 4. 2018 Annual Evaluation Review**
  - a. Report: <https://www.adb.org/documents/2018-annual-evaluation-review>
  - b. Management Response: <https://www.adb.org/sites/default/files/evaluation-document/388366/files/mr-2018-aer.pdf>
  - c. Chair Summary: <https://www.adb.org/documents/chair-summary-committee-discussion-3-april-2018>
- 5. 2017 Portfolio Performance Report**
  - a. Report: <https://www.adb.org/sites/default/files/institutional-document/423181/appr-2017.pdf>
  - b. Chair Summary: <https://www.adb.org/documents/chair-summary-committee-discussion-24-april-2018>
- 6. Alternative Approaches for Learning from Evaluation: (1) Impact of Cost-Shared Water Supply Services on Household Welfare in Small Townes: Ex-Post Impact Evaluation of Project in Nepal; and (2) Leading Factors of Success and Failure in ADB' Sanitation Projects**
  - a. Report: <https://www.adb.org/documents/impact-cost-shared-water-supply-services-household-welfare-small-towns-ex-post-impact>
  - b. Management Response: <https://www.adb.org/sites/default/files/evaluation-document/237456/files/mr-ie-nep.pdf>
  - c. Chair Summary: <https://www.adb.org/sites/default/files/institutional-document/452386/dec-chair-sumary-20jun2018.pdf>
- 7. Policy-Based Lending**
  - a. Report: <https://www.adb.org/documents/policy-based-lending-2008-2017-performance-results-and-issues-design>

- b. Management Response: <https://www.adb.org/sites/default/files/evaluation-document/301291/files/mr-pbl.pdf>
  - c. Chair Summary: <https://www.adb.org/documents/chair-summary-committee-discussion-2-july-2018>
- 8. ADB Support for Small, and Medium-Sized Enterprises**
- a. Report: <https://www.adb.org/documents/support-small-and-medium-sized-enterprises-2005-2017>
  - b. Management Response: <https://www.adb.org/sites/default/files/evaluation-document/346336/files/mr-sme.pdf>
  - c. Chair Summary: <https://www.adb.org/documents/chair-summary-committee-discussion-5-september-2018>
- 9. IED Work Program for 2018-2020 and 2018 Budget**
- a. Report: <https://www.adb.org/sites/default/files/page/110939/wp-2019-2021.pdf>
  - b. Chair Summary: <https://www.adb.org/documents/chair-summary-committee-discussion-8-october-2018>
- 10. ADB Support for State-Owned Enterprises**
- a. Report: <https://www.adb.org/documents/state-owned-enterprise-engagement-and-reform>
  - b. Management Response: <https://www.adb.org/sites/default/files/evaluation-document/349826/files/mr-soe.pdf>
  - c. Chair Summary: <https://www.adb.org/documents/chair-summary-committee-discussion-12-november-2018>
- 11. ADB Support for Agriculture**
- a. Report: <https://www.adb.org/documents/sector-wide-evaluation-adb-support-agriculture-natural-resources-and-rural-development>
  - b. Management Response: <https://www.adb.org/sites/default/files/evaluation-document/410991/files/mr-se-agri.pdf>
  - c. Chair Summary: <https://www.adb.org/documents/chair-summary-committee-discussion-22-november-2018>

## HIGHLIGHTS OF ADB'S INDEPENDENT EVALUATION DEPARTMENT ACTIVITIES IN 2018

### A. Evaluation Reports Completed in 2018

1. The work program for 2018–2020 was endorsed by ADB's Development Effectiveness Committee (DEC) and later approved on a no-objection basis by the Board on 8 December 2017.<sup>3</sup> IED's 2018 work program covered independent evaluation/validation reports<sup>4</sup>, knowledge management activities, and partnerships and networking. A summary of IED's outputs in terms of evaluations and validations, at all levels, is provided in Table Ax1, with additional details on the major evaluations following.

**Table Ax.1: Independent Evaluation Reports Completed in 2018**

Evaluation Type	2018
<b>High Level Evaluations</b>	
Corporate and Thematic Evaluation	3
Country Assistance Program Evaluation	1
Sector Assistance Program Evaluation	--
Sector-wide Evaluation	1
Annual Evaluation Review	1
<b>Meso and Project Level Evaluations/Validations</b>	
Validations of CPS Final Review	3
Topical Paper	1
Impact Evaluation	1
Sector Synthesis Note	--
Project/Program Performance Evaluation Report	10
TA Performance Evaluation Report	2
<b>Project and TA Validations</b>	
Validations of PCRs and /XARRs	56
Validations of TCRs	--
<b>Total Evaluations and Validations</b>	<b>79</b>
of which: High, Meso, and Project Level Evaluations	23

CPS=country partnership strategy, PCRs=project/program completion reports, XARRs=extended annual review reports, TA=technical assistance, TCR=technical assistance completion reports

Source: Independent Evaluation Department. Asian Development Bank.

<sup>3</sup> IED. 2017. *Independent Evaluation Department Work Program, 2018–2020*. Manila

<sup>4</sup> For its core evaluation work, IED conducts 5 levels of evaluations: project, sector, country, thematic and corporate. IED products include (i) knowledge sharing from major evaluations such as corporate, sector-wide and thematic evaluations, to middle-level evaluations like sector synthesis notes, systematic reviews, and topical papers, and (ii) learning and accountability from country, country– sector and project–level evaluations. In addition, it prepares the Annual Evaluation Review report. IED's knowledge management activities combine communication and outreach and knowledge sharing and evaluation capacity development.

2. **Corporate, Sector and Thematic Evaluations.** In 2018, IED completed two thematic evaluations; a corporate evaluation and a sector-wide evaluation. These are described below.

3. (i) [State Owned Enterprise Engagement and Reform](#). This thematic evaluation looks at ADB support for improving the operational efficiency and commercial viability of state-owned enterprises (SOEs). It shows mixed outcomes in three areas of operations. Positive outcomes were evident on targeted approaches directed at fiscal management and access to quality and affordable services, while modest results were seen on interventions focused on governance and operational efficiency. Macro-level operations were modest. Highest performance was noted for non-sovereign operations (NSO) instruments that promote public–private partnership. The evaluation offers guidance for future SOE engagement, i.e., strengthening ADB’s strategic direction to governments through the country partnership strategy (CPS) process, strengthening monitoring and reporting of ADB supported SOE reforms, and improving resource allocation and coordination among departments and offices across various locations.

4. (ii) [Support for Small and Medium-sized Enterprises, 2005–2017: Business Environment, Access to Finance, Value Chains, and Women in Business](#). This thematic evaluation assesses the performance of the small and medium-sized enterprises (SME) portfolio and its development results from 2005–2017. It reveals that operations for improving the enabling business environment performed well and helped ease the cost of doing business. The evaluation challenges ADB’s approach to supporting SMEs that is heavily focused on intermediary loans, an approach widely known as less than an optimal instrument to support SMEs if not directed towards impacting the financial system serving SMEs as whole. It urges ADB to take a more coherent and innovative approach in supporting SMEs by (a) strengthening catalytic impacts of its financing, (b) improving project implementation and monitoring, (c) strengthening its knowledge base on SMEs to meet the increasing demand for innovation, and (d) improving staff capacity and corporate coordination.

5. (iii) [Policy-based Lending 2008–2017: Performance, Results, and Issues of Design](#). This corporate evaluation takes an in-depth look at ADB’s policy-based lending (PBL) from 2008–2017. The assessment period covers the years of the global financial crisis of 2008–2009 which prompted spiraling demands for financial support. The evaluation finds that PBL performance improved over the period, which is in line with performance trends at other multilateral development banks. The policy reforms it supported which increasingly centered on public sector management produced better results particularly in countries with initially low performance. The report offers suggestions on addressing issues related to PBL design to further enhance ADB’s role in shaping the region’s policy agenda.

6. (iv) [ADB Support for Agriculture, Natural Resources, and Rural Development](#). This sector-wide evaluation covers a 13-year period from 2005 through 2017. New and pressing challenges related to urbanization and changing food demands, environmental degradation, and climate change have increased the prominence of the Agriculture sector. The evaluation brings to light weakness in ADB’s strategic guidance and inadequate institutional arrangements for delivery. Although performance of the sector has improved, development outcomes have been limited. ADB has the potential to make a substantial contribution given the availability of financial resources, re-engagement by ADB in the sector, and the improving portfolio performance.

7. **Country and Country–sector Evaluations and Validations.** The [Country Assistance Program Evaluation for Azerbaijan](#) found the program successful, with strengths such as proactive engagement and support for macroeconomic policy reform outweighing weaknesses in other areas. From a strategic viewpoint, it recommends that ADB (i) take a more integrated view

of its support, with greater focus on building human and social capital in parallel with developing and improving physical infrastructure and supporting policy reform; (ii) use a broader range of instruments and modalities as part of its new strategy; (iii) do more analytical work, focusing on non-oil tradable sectors, and more proactive involvement in private sector operations. At the operational level, it needs step up due diligence and preparatory work for its operations and expand its policy dialogue.

8. In addition to the CAPE, 3 validations of CPS final reviews were also completed: [Kyrgyz Republic](#), [Solomon Islands](#), and [Uzbekistan](#). These validations assessed the final review reports of operations departments on their CPS for a specified period. Also, in 2018, IED substantially completed the sector assistance program evaluation (SAPE) on Pakistan's power sector, the first since the sector work at the country level was reintroduced. This evaluation was finalized in the first quarter of 2019.

9. **Annual Report.** The [2018 Annual Evaluation Review](#) gives new perspectives to the development effectiveness discussion through: (i) a new section that elevates discussions to a higher plane, complementing the traditional discussion on ADB's operational performance; and (ii) a theme chapter that takes a deep dive into improving efficiency and sustainability. The AER recognized (i) successes in promoting environmentally sustainable growth, regional cooperation and integration, gender mainstreaming, (ii) greater expectations from middle-income member countries, and (iii) the potential of knowledge partnerships and credit enhancement products. The AER noted improvements which have had a positive influence on efficiency and sustainability. Institutional reforms by Management contributed to these results. While these are commendable, more work is needed to achieve the goals set.

10. [Project/Program/Technical Assistance Evaluations and Validations](#). At the project level, project/program performance evaluation reports on 6 sovereign and 4 non-sovereign operations were delivered in 2018.<sup>5</sup> IED also completed the validations of 47 project completion reports (PCRs) and 9 extended annual review reports (XARRs). Two technical assistance performance evaluation reports were completed. These are the Core Environment Program and Biodiversity Conservation Corridors Initiatives in the Greater Mekong Subregion<sup>6</sup>, and the Pacific Private Sector Development Initiative<sup>7</sup>.

11. **Alternative Approaches to Learning from Evaluation.** In 2018, IED also completed a topical paper and an impact evaluation.

12. (i) [Leading Factors of Success and Failure in ADB Urban Sanitation Projects](#). This topical paper identified success and failure factors (taking account of country context and other factors in play) of urban sanitation projects. Lessons and observations made by the evaluation can be included in the design and implementation of future urban sanitation sector projects. Lessons identified are: (i) thorough and continuous engagement with implementing agencies from project preparation is key to avoid or mitigate implementation bottlenecks, (ii) policy dialogue throughout the project cycle is essential in laying out groundwork for private sector participation, (iii) integrated sanitation solutions in cities and other urban areas need to be built on a long-term vision, taking note of local needs for sanitation interventions, and (iv) to ensure inclusiveness, it is important to target the poor and vulnerable through a full accounting of beneficiaries.

<sup>5</sup> <https://www.adb.org/documents/series/project-performance-evaluation-reports>

<sup>6</sup> <https://www.adb.org/documents/core-environment-program-and-biodiversity-conservation-corridors-initiative-GMS>

<sup>7</sup> <https://www.adb.org/documents/pacific-private-sector-development-initiative>

13. (ii) [Impact of Cost-Shared Water Supply Services on Household Welfare in Small Towns: Ex-Post Impact Evaluation of a Project in Nepal](#). This impact evaluation added to the thin evidence on the impact of cost-shared, community-based water supply and sanitation interventions in small towns. It contributed to broader knowledge and evidence gaps on the institutional and non-health impacts of water supply and sanitation interventions. The evaluation found that a cost-shared, community-based approach to the provision of water supply and sanitation services infrastructure, together with training, awareness campaigns, and institutional development, improved the operational and financial sustainability of water services providers, compared to providers in towns that did not receive this support.

## B. Evaluations Discussed by the Board of Directors and the DEC in 2018

14. By end-2018, the DEC discussed a total of 8 IED reports. These include 5 high level evaluations, an impact evaluation, a topical paper and the TA performance evaluation report on the Pacific Private Sector Development Initiative. In addition to these reports, the DEC discussed IED's knowledge management strategic plan which systematically operationalizes IED efforts in making itself influential. Table Ax.2 shows the evaluation reports discussed by the DEC in 2018.

**Table Ax.2: Evaluations Discussed by the Board of Directors and the DEC in 2018**

Title	Date of Management Response	Date of DEC Discussion
1. Pacific Private Sector Development Initiative	13 February	22 February
2. IED Knowledge Management Strategic Plan	NA	21 March
3. 2018 Annual Evaluation Review (Special and Recommendations Chapters)	27 March	3 April
4. Alternative Approaches for Learning from Evaluations: (i) Impact of Cost-Shared Water Supply Services on Household Welfare in Small Towns: Ex-Post Impact Evaluation of Project in Nepal; and (ii) Leading Factors of Success and Failure in ADB Urban Sanitation Projects	13 June	20 June
5. Policy-Based Lending 2008-2017: Performance, Results, and Issues of Design	25 June	2 July
6. Support for Small and Medium-Sized Enterprises, 2005-2017: Business Environment, Access to Finance, Value Chains, and Women in Business	28 August	5 September
7. 2019-2021 IED Work Program and 2019 Budget	NA	8 October
8. State-Owned Enterprise Engagement and Reform	5 November	12 November



9. ADB Support for Agriculture, Natural Resources, and Rural Development	15 November	22 November
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ADB=Asian Development Bank, DEC=Development Effectiveness Committee, IED=Independent

Evaluation Department, NA=not applicable

Source: Asian Development Bank (Independent Evaluation Department)

## C. Evaluation Knowledge Management Products and Activities in 2018

### 1. Outreach and Learning Events

15. IED's communication and outreach program continued to be enhanced and strengthened in 2018. IED's communication and outreach approach is to bring its evaluations, and the knowledge products derived from those evaluations, to the attention of a wider audience, both inside and outside ADB. Table Ax.3 presents a list of internal and external events participated and or hosted by IED in 2018.

**Table Ax.3. Internal and External Events Participated and Hosted by IED in 2018**

Date	Event	Sponsor / Location
12-Dec	IED Awards 2018	IED / ADB HQ
06-Dec	What Works, What Doesn't and Why: Lessons and Failures: Urban Sanitation and Nepal: Impact Evaluation	IED and NRM / Kathmandu, Nepal
25-Nov	Evaluation Cooperation Group Fall Meeting	IED / Shanghai, PRC
25-Sep	What Works, What Doesn't and Why: Policy-based Lending*	IED / ADB HQ
10-14 Sep	2018 Asian Evaluation Week	AFDI and IED / Chengdu, PRC
1-8 Oct	13 <sup>th</sup> Biennial Conference of the European Evaluation Society: Pacific Private Sector Evaluation	EES / Thessaloniki, Greece
04-Jul	IED Learning Event: Advancing South-South Knowledge Sharing in Asia	KDI / Seoul, ROK
31 May – 1 Jun	Evaluation Cooperation Group Spring meeting	IED/ ADB HQ
30-May	Evaluation Cooperation Group - Managing for Development Results Seminar	IED, SPD / ADB HQ
28-May	What Works, What Doesn't and Why: Transport and Sustainable Development in Asia and the Pacific	IEG and IED / ADB HQ
05-May	ADB Annual Meeting: Meeting with Civil Society Organizations	IED / ADB HQ
04-May	ADB Annual Meeting: Unleashing Asia's Capital in the Age of Choice	IED / ADB HQ
02-May	ADB Annual Meeting: Meeting with Pacific Board of Governors on PSDI	IED / ADB HQ

18-Apr	Meeting of the Chairs and Co-Chairs of IFIs CODE Equivalent (in partnership with IEG-WB)	IED and IED / Washington DC, USA
12-Apr	What Works, What Doesn't and Why: Results-based Lending	IED and IED / ADB HQ
06-Mar	Learning Event Investing in Gender Equality: Knowledge-Sharing between Europe and Asia	EIB / Luxembourg

CDE=Committee on Development Effectiveness, HQ=headquarters, IEG= Independent Evaluation Group, IFI=international financial institutions, PRC=People's Republic of China, ROK=Republic of Korea, WB=World Bank

Source: Independent Evaluation Department. Asian Development Bank.

16. **Advancing South-South Knowledge Sharing in Asia.** IED hosted a learning event in partnership with the Korea Development Institute on 4 July 2018 in Seoul, Korea. The event provided a platform to (i) understand South-South cooperation from the perspective of the Asia and Pacific region; (ii) share development cooperation knowledge and know-how among countries; (iii) discuss ways to improve the effectiveness of knowledge sharing, looking beyond aid for solutions; and (iv) leverage the partnerships with various stakeholders. More than 150 people attended comprising senior government officials, from countries in the Asia-Pacific region, private sector executives, leading academics, senior representatives from the development community as well as ADB staff and management.

17. **Transport and Sustainable Development in Asia and the Pacific.** Together with the World Bank's Independent Evaluation Group, this learning event held in May provided a platform to explore potential strategies and approaches for achieving sustainable transport development in Asia and the Pacific, drawing on evaluative insights from ADB and the World Bank Group. The event gave participants with the opportunity to share insights on what works when it comes to pursuing sustainable transport development, focusing on key issues such as inclusion, access and institutional capacity. The event also explored emerging lessons as well as new opportunities, business models, policy interventions, and success stories from other parts of the world.

18. **Unleashing Asia's Capital in the Age of Choice.** The seminar was organized by IED for the ADB Annual Meeting in May 2018. It discussed how governments and institutions like ADB can help mobilize non-public funds to bridge an investment gap. Panelists discussed collaboration and how market players like governments, international financial institutions, and private sector can collaborate to bridge the funding gap. The seminar also stressed the need for projects in Asia to be bankable and able to generate competitive returns on a risk-adjusted basis when compared to global alternatives. In this context, guarantees offered by governments and multilateral development banks are important. ADB's credit enhancement products can help bridge these investment gaps and contribute significantly to meeting ADB's development objectives. Mobilizing private sources of capital is of great importance to developing countries and their strategic development partners, and this includes an increasing role for multilateral development banks in leveraging finance and expertise from the private sector.

19. **Investing in Gender Equality: Knowledge-Sharing between Europe and Asia.** IED co-organized this learning event with the European Investment Bank in 6 March in Luxembourg. Building both on evaluation findings and on more diffuse experience in the two organizing institutions and in the community of practice at large, the event discussed the challenges and opportunities associated with promoting and integrating the gender dimension in the operations of international and development financial institutions. The discussion focused primarily on mid-

and high-income country contexts, where most of EIB's and an increasing share of ADB's activities are concentrated.

20. **Assessing Performance: Boosting Results in Multilateral Development Banks.** IED, as a chair of this year's Evaluation Cooperation Group (ECG) meeting, co-organized this panel discussion last 30 May together with the Managing for Development Results (MfDR) group of multilateral development banks. For the first time, representatives from both results management and independent evaluation departments of the major multilateral development banks (MDBs) engaged into a discussion on their respective roles and on how to better collaborate for improved development results. This exchange was possible as ADB chairs both the MfDR group and the ECG in 2018.

21. **Evaluation Cooperation Group Meeting.** IED hosted the ECG Spring Meeting in the ADB Headquarters from 31 May to 1 June and Fall Meeting in Shanghai in 25-26 November. ECG brings together members from all major multilateral development banks and was established to promote a harmonized approach to evaluation methodology. This year's theme was *Improving Results Measurements and Management*.

22. **EvalColombo 2018 – Global Parliamentarians Forum for Evaluation.** *The conference represents the first major global event to be hosted by the Global Parliamentarian Forum on Evaluation. IED participated in this conference last 17-19 September in Colombo with IED DG addressing the delegates from the legislative branch, governments, and development agencies from different countries on the role of evaluation and parliaments in pursuit of Agenda 2030. The conference brought together over 150 delegates from all over the world.*

23. **What Works, What Doesn't, and Why? Insights from Evaluation.** This series of learning events, which started in 2017, provides a platform for the Board, Management and staff to share views on topical issues for the region and ADB. In April 2018, IED together with the IEG–World Bank presented evaluation findings on results-based lending with experiences from the two institutions. In 27 September, the dissemination of the evaluation on policy-based lending was held in ADB HQ. Two other evaluations—lessons and failure of urban sanitation and the impact evaluation on water supply in Nepal—were presented in Nepal on 6 December in collaboration with the Nepal Resident Mission.

24. **2018 Independent Evaluation Awards.** IED presented the awards for good quality self-evaluations of ADB projects, and for ADB projects with exemplary performance in a ceremony at the ADB Headquarters. The Best PCR and XARR Awards commend operational departments for well-prepared self-assessments. Awardees were selected based on the quality of presentation, analyses, lessons, and recommendations.

## 2. Knowledge Products and Evaluation Derivatives

25. **Evaluation derivative products.** IED introduced in 2018 the "Evaluation in Brief" which condensed lengthy evaluation reports into two pages and targets internal ADB stakeholders. These briefs were prepared for the 2018 Annual Evaluation Review and subsequent evaluations on results-based lending, policy-based lending, small and medium enterprises, urban sanitation, water supply services in Nepal, state-owned enterprises, agriculture and natural resources. Similarly, IED introduced "Evaluation Illustrated" which synthesizes the evaluation findings, lessons and recommendations into a communication material aimed for the information of the general public. It was prepared for the evaluations on gender and development, urban sanitation,

cost-shared water supply services, policy-based lending, and agriculture in 2018. These communication materials were disseminated in several knowledge sharing and learning events.

26. **Videos and multimedia.** IED has reinforced the use of videos and multimedia in 2018 as part of its communication and dissemination tools in making evaluations used and more influential. IED prepared two videos and infographic materials for the 2018 Annual Evaluation Review. It also produced a video on the impact of cost-share water supply services in small towns in Nepal as well as several videos related to IED's learning events, including the *ADB Annual Meeting, Boosting Results in Multilateral Development Banks*, and *South-South Cooperation*. IED has been using live feeds and more visualizations in sharing evaluation knowledge.

27. **Media and Press Engagement.** In terms of greater engagement with the media and outreach to the public, IED published 6 news releases in 2018. The news releases are on the evaluations on policy-based lend which was the most effective in terms of pickup. Online and print news media from Bangladesh, People's Republic of China (PRC), Georgia, Pakistan, Philippines, and Sri Lanka published the news release. In addition, media interviews on the challenges of PRC's adoption of performance-based standards at the national and provincial level was published in Shanghai Daily and China Economic and Financial News in September 2017 during the 2018 Asian Evaluation Week. IED has published two blogs in September on cost sharing for small town water supply services and small sanitation projects reaching the urban poor.

28. **Website.** The IED website has been consistently on top of adb.org's focus areas (sectors and themes) in terms of page views. It is the main hub for evaluation resources with page views of 99,691<sup>8</sup> from January-December 2018 (which is higher of the 90,603 page views on the same period in 2017). The IED website has been undertaken to update the website, improve searchability and interface, and enhance the overall presence. In terms of downloads of IED reports, the 2018 Annual Evaluation Review was the most downloaded document at 1,063. The evaluation on policy-based lending and the impact evaluation on costs-shared water supply services in Nepal came in second and third which was downloaded 463 and 348, respectively. IED's website was redesigned in November 2018 taking into consideration better use of colors and templates, user-friendly navigation, and better search functions.

### 3. Social Media Engagement

29. IED's expanding online outreach activities includes the use of social media such as Facebook, Twitter, YouTube and LinkedIn. Among ADB's affiliate accounts, IED's Facebook and Twitter pages recorded the highest number of followers – 52,526 in Facebook and 3,116 in Twitter. On Twitter, impressions have mostly been higher for when IED holds live tweet activities during the ADB Annual Meeting in May (31,100 impressions), South-south learning event in July (27,400 impressions) and the 2018 Asian Evaluation Week in September (27,300 impressions). Profile visits, mentions and new followers tend to increase in this period. Top tweets have also been related to our learning event, particularly live stream feed during the Advancing South-South Cooperation in Asia event in Seoul, which has more than 5,600 impressions. Other online forms of disseminating evaluation reports are email listservs and email marketing (Mailchimp). For internal communication, communication and information notices are sent to ADB Board and Management on IED evaluations (including ADB Today and intranet sites).

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<sup>8</sup> This does not include page views within ADB headquarters.

## D. Evaluation Capacity Development

30. For 2018, IED conducted 18 evaluation capacity development activities within and outside ADB including starting the legwork for an evaluation program for the Pacific and the continuing engagement with the regional departments.

31. (i) Capacity development in member countries. IED supported evaluation capacity development in its member countries in three ways. First is through the Shanghai International Program on Development Evaluation Training (SHIPDET), which was established in 2009 under a tripartite arrangement with support from IED/ADB, IEG/World Bank Group, and the Asia-Pacific Finance and Development Institute (AFDI)-Ministry of Finance of the People's Republic of China (PRC). The training is organized at the Shanghai National Accounting Institute in Shanghai in two batches. The first batch national SHIPDET was for PRC government officials. During the national SHIPDET program in April 2018, IED provided a resource person on Evaluation Methods and Practices of Asian Development Bank. The second batch of trainees (international SHIPDET) comprised DMC officials. The international SHIPDET event was held on 26–30 November. IED was also approached by the East Asia Department to support the China National Audit Office by providing a one-day evaluation training session on 6 September for 62 auditors from the PRC and other member countries.

32. Second is through in-country and hub evaluation trainings for DMC officials. In 2018, two in-country evaluation training sessions were conducted—one in Bangkok, Thailand for the TICA and NEDA staff (20 officials participated from both agencies), and one in Delhi, India (34 government officials involved in ADB projects). Two hub trainings were also held, one for South Asia member countries which held in Colombo, Sri Lanka (22 government officials from Bhutan, Maldives, Nepal, and Sri Lanka involved in ADB projects, and a second for Pacific countries which was held in Suva, Fiji (21 government officials from Fiji, Nauru, Samoa, Solomon Islands, Tonga, and Tuvalu). IED also held a one-day evaluation training as part of the high-level learning event last July 2018 in Seoul, Republic of Korea and was attended by 70 government officials from the region.

33. IED also supports evaluation capacity development through on-the-job training (OJT) of government officials involved in ADB projects. In 2018, one representative from Nepal participated in an evaluation of a municipal services development project with IED. The exercise aims to foster active learning under the guidance of IED's international staff leading evaluation studies.

34. Third, IED, together with AFDI organized the annual AEW event which was held in Chengdu from 10 to 14 September. The event aimed to foster evaluation knowledge sharing within Asia and between Asia and other regions, such as Africa and Latin America. The AEW provided a platform for inter-regional exchange on the latest and cutting-edge ideas on evaluation. A total of 240 participants attended the event including resource persons from other multilateral development banks, United Nations agencies, and academe who are leading in the field of evaluation.

35. The AEW theme for 2018 was *Making Evaluation work at the Country-Level* with presentations on state governance and performance-based management, national evaluation systems and capacities, and the roles of evaluation societies and audit institutions. There were also presentations showcasing various evaluation tools and methods such as using international norms and evaluation criteria, big data, impact evaluation, evaluating policy advocacy, PPPs, and heritage site restoration projects. It also showcased diverse perspectives coming from country

presenters involved in evaluation, including those from the PRC, and even from outside the Asia-Pacific region such as South Africa.

36. (ii) Capacity development in ADB. IED conducts staff development training program in PCR/TCR preparation. In 2018, IED has programmed two sessions in ADB Headquarters, with the first session was held in May, and the second session completed in October. As such, for the 2018, we will have 45 ADB trained staff. IED also conducts a half-day module training on evaluation during ADB's regular staff development training on project design and management. Three training sessions have been completed (February, May and October). Responding to requests from the regional departments, IED conducted an evaluation briefing last August for the government officials of Malaysia's Ministry of Finance and the National Institute of Public Administration (INTAN) with a view to put together a full evaluation capacity development program.

37. (iii) Capacity development in IED. Evaluation skills require regular updates and enhancement. In 2018, IED has lined up development evaluation programs for its own staff. One staff each attended the Valuation, Trading Comparables, and DCF Training Workshop in Singapore last 12-13 April; Advance Project Finance in Hong Kong last 26-30 November; and the Stakeholder Engagement in Sustainable Infrastructure Development in Viet Nam last 24-25 May. Eight staff attended the 2018 SHIPDET Special Topics course in November 2018. Several IED staff also attended in-house learning events organized by BPMSD such as the Language of Leadership, Smart and Sustainable Cities, and Systematic Reviews. IED has been working to mainstream evaluation capacity development in its work program.

## **E. Partnerships and Networking**

38. IED promotes cooperation with development actors in Asia and the Pacific at the institutional (i.e., bilateral, multilateral, and regional organizations and institutions) and operational and/or country levels (i.e., academe, civil society, evaluation associations, and government).<sup>9</sup> A few examples of these collaboration are the Asian Evaluation Week in partnership with the Asia-Pacific Finance and Development Institute of the People's Republic of China and systematic reviews with the International Initiative for Impact Evaluation (3ie).

39. IED also continues to join and support the activities of the Evaluation Cooperation Group (ECG) which comprise of central evaluation agencies from 10 multilateral development banks. In its capacity as Chair, IED hosted the annual spring meeting of the ECG in Manila (May/June) and fall the meeting in Shanghai, China (November 2018).

## **F. Evaluation Information Systems**

40. **Lessons Database**. IED soft launched its new lessons database during the ADB Knowledge Forum last October 2018. The new database has been updated with latest PCRs (until August 2018) and features an improved user interface. The search function is simplified to cover only sectors, country and themes. Next step is to import old contents from the previous site, creating nodes for each lesson, and tagging them based on a defined taxonomy from GDI, and creating visualization on search results.

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<sup>9</sup> These range from contributions to international evaluation events and/or activities around cross-cutting and country evaluations and other operationally relevant topics; knowledge sharing and learning; and harmonizing good practice in evaluation.

41. **Qualitative Analysis.** IED also endeavored on working with OIST and IBM on developing a prototype to generate insights from ADB's project completion report. This initiative – called Watson – is a first of its kind in ADB – aims to understand the key issues and lessons from ADB's operations using natural language processing and machine learning. In October 2018, the proof of value was completed and demonstrated that IBM Watson is capable of ingesting hundreds, even thousands of PCRs and derive insights on what makes an ADB project relevant, effective and efficient across two sectors and countries. In 2019, IED will work closely with OIST, IBM, and several ADB staff, in the areas of design thinking, developing a machine learning model, testing and training. A minimum viable product is seen by Q3 2019.

42. **Management Dashboard.** IED is also developing a dashboard to track and monitor resources and implementing the work program and budget. The prototype was tested and piloted and expected to be used by Q2 2019.

### G. Other Key Initiatives in 2018

43. **TA Completion Report Validation System.** In 2018, IED carried out a feasibility assessment and developed guidelines and business processes for a TCR Validation Report (TVR) system.<sup>10</sup> The pilot testing of a sample of TCRs in 2018 indicated that their assessments and evaluability varied widely, in terms of core evaluation criteria of relevance, effectiveness and efficiency. It found scope for improving the quality of TCRs. Some principal concerns relate to: (i) an unsystematic approach to rating evaluation criteria (e.g., some criteria were not assessed); and (ii) the lack of rigor that was applied to some assessments (i.e., insufficient evidence and/or justifications were provided).

44. **[An External Review of the Independent Evaluation Department.](#)** The review was carried out by two external consultants, engaged by the DEC, and assessed the effectiveness of IED and the robustness of its institutional capacity. IED received a draft final report in January 2018 and participated in a feedback session in February 2018. IED gave further suggestions on the report prior to its publication. The final document was completed and uploaded in the ADB website in October 2018.

43. **Knowledge Management Strategic Plan.** In March 2018, IED updated the DEC on its knowledge management strategic plan.<sup>11</sup> The session discussed IED efforts to provide the right knowledge for the right audience at the right time. The Strategic Plan lays out the activities to achieve the goal of making IED influential. The DEC agreed that IED is a very good source of knowledge and has an important role in maintaining accountability and improving learning for greater operational performance of the ADB. As such, a good communication and evaluation knowledge management strategic plan is needed to make IED's knowledge more accessible to wider stakeholders.

44. IED assured the DEC that it has a clear sense of direction and a strategic perspective in planning its activities. IED explained that its goal to make evaluation influential meant that the information provided is high quality, evidence-based, accessible and understandable and most importantly, it is to be used within and outside ADB. IED also clarified that while accountability remains its core responsibility, they want to ensure that the information coming from evaluations are to improve the design of upcoming investments and projects for better results.

<sup>10</sup> <https://www.adb.org/sites/default/files/institutional-document/528046/tcr-validation-guidelines.pdf>

<sup>11</sup> <https://www.adb.org/sites/default/files/institutional-document/426036/dec-chair-summary-21mar2018.pdf>

45. o make evaluation influential meant that the information they provide is high quality, evidence-based, accessible and understandable and most importantly, it is to be used within and outside ADB. IED also clarified that while accountability remains its core responsibility, they want to ensure that the information coming from their evaluations will be used to improve the design of upcoming investments and projects for better results.