# Management Action Record System (MARS)
# Status of Adoption of Independent Development Evaluation's Recommendations
# 2019 Report

Knowledge Products

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AFRICAN DEVELOPMENT BANK GROUP

# Acknowledgements

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# Acronyms and Abbreviations

**ACTD**   Action Completion Target Date

**AfDB**   African Development Bank

**AHVP**   Vice Presidency for Agriculture, Human and Social Development

**AsDB**   Asian Development Bank

**CHIS**   Corporate IT Services

**CHVP**   Corporate Services and Human Resources Complex

**CODE**   Committee on Operations and Development Effectiveness

**CSPE**   Country Strategy and Program Evaluation

**EBRD**   European Bank for Reconstruction and Development

**ECVP**   Economic Governance and Knowledge Management Complex

**EIB**   European Investment Bank

**FIVP**   Finance Complex

**IDB**   Inter-American Development Bank

**IDEV**   Independent Development Evaluation

**IFAD**   International Fund for Agricultural Development

**IsDB**   Islamic Development Bank

**IT**   Information Technology

**LID**   Lead Implementing Department

**MAR**   Management Action Record

**MARS**   Management Action Record System

**MR**   Management Response

**OID**   Other Implementing Department

**PEVP**   Power, Energy, Climate and Green Growth Complex

**PIVP**   Private Sector, Infrastructure and Industrialization Complex

**PRST**   Office of the President

**RDVP**   Regional Development, Integration, and Business Delivery Complex

**SNDR**   Delivery, Performance Management and Results Department

**SNOQ**   Operations Committee Secretariat and Quality Assurance Department

**SNVP**   Senior Vice President's Office

**WBG**   World Bank Group

# Glossary

| | |
|---|---|
| **Action Plan** | All the actions committed by Management in response to a given recommendation in an IDEV evaluation. |
| **Level of Adoption** | For a recommendation to be considered adopted, it must be both aligned and implemented, and the overall rating is the lower of the two ratings on alignment and implementation. |
| **Level of Alignment** | Extent to which the action plans in the Management Response are aligned with the agreed recommendations of IDEV. |
| **Level of Implementation** | Extent to which the action plans have been implemented as planned. |
| **Management Action Record Matrix** | A matrix of all the recommendations and their corresponding action plans for a given evaluation. |
| **Management Action Record (MAR)** | An overview of all the evaluation recommendations indicating Management's level of agreement (not agreed/partially agreed/agreed) and the corresponding action plans if agreed or partially agreed, including Action Completion Target Dates (ACTDs), Lead Implementing Departments, baselines, targets and indicators (where applicable). |
| **Management Response (MR)** | The formal response of Bank Management to an IDEV evaluation that contains recommendations. After a general narrative in which Management comments on the evaluation and discusses the evaluation findings and recommendations, it presents the MAR. |

## Management Action Plan in response to IDEV recommendation
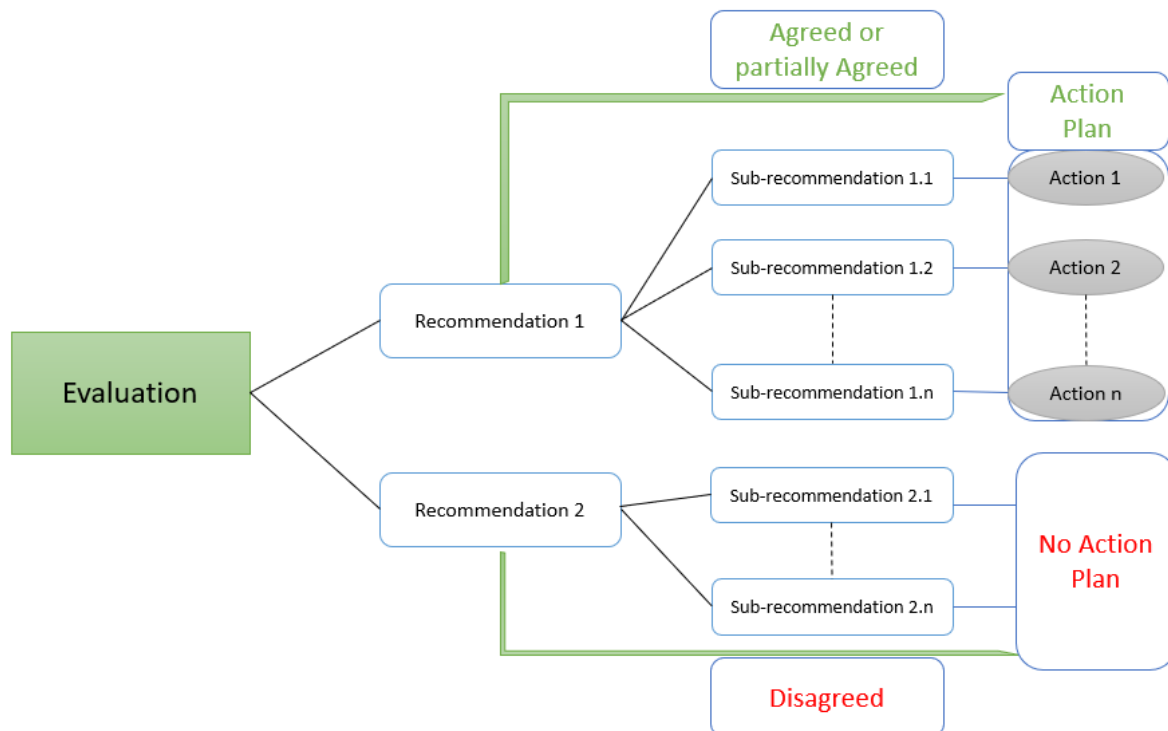
# Executive Summary

## Introduction

**This report presents IDEV's first assessment of the adoption of evaluation recommendations, as captured in the African Development Bank's (AfDB) Management Action Record System (MARS), established in 2013.**[1] It provides the Board with an analysis of the progress made by Management in adopting agreed evaluation recommendations. The report is aimed at improving accountability for the implementation of recommendations, enhancing evaluative learning and assisting the Board in its oversight role. The follow-up of evaluation recommendations is a key focus area among the 7th General Capital Increase commitments (to timely implement 100% of agreed actions).

**Once an independent evaluation, its recommendations and Management's Response have been considered by the Board's Committee on Operations and Development Effectiveness (CODE), Management begins implementing the actions it has committed to.** It reports on their status twice a year. IDEV in turn is expected to report to CODE annually on the status of adoption (and implementation) of recommendations.

**The MARS has significantly improved under the review period.** The collaboration between Management and IDEV during the review period enabled the setting up of a new MARS Information Technology (IT) platform, increasing the share of actions with supporting evidence from 37% in March 2019 to 88.5% in June 2019, and improving the quality of the evidence. Management should continue these efforts. Having adequate evidence on implementation is completely within Management's control and the goal should be 100%.

## Methodology

For this 2019 report, the assessment considered the recommendations with all their actions due by December 2018, which represents 198 recommendations, 304 sub-recommendations and 587 actions. Management draws up an action plan for each recommendation and self-assesses and reports on the status of implementation at the action level. IDEV cross checked as much as possible the relevance of the evidence provided by Management in the MARS IT Platform and used a four-point scale (High, Substantial, Moderate and Low)[2] to assess Management's action plan for each recommendation in terms of alignment, implementation and adoption. Finally, IDEV carried out an institutional comparison of the process of monitoring, reporting and assessment of the implementation of evaluation recommendations among eight International Financial Institutions.

## Main Findings

**The alignment of action plans with recommendations is high:** 83.8% were rated high and 12.6% were rated substantial. Only 3.6% of action plans were only moderately aligned with the recommendations.

**The level of implementation of action plans was rated low for 47%** (93) and moderate for 27% (53); only 17% (34) were rated high and 9% (18) substantial.

**Timeliness has been the main challenge in the implementation of action plans.** Indeed, most action plans (77%) are eventually implemented, but not on time. On average, the actions were implemented more than 18 months (624 days) after the target completion date. Of the 146 action plans rated low or moderate, timeliness was identified as the main challenge in the implementation of recommendations (68% of cases), followed by

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[1] Proposal for a Management Action Record Mechanism at the African Development Bank (ADB/BD/WP/2013/144 – ADF/BD/WP/2013/117) – October 2013.

[2] See Table 1: Rating Scale Criteria.

a combination of timeliness and lack of evidence (13%).

**The level of adoption of recommendations is very low**. A recommendation is considered adopted when it is both aligned and implemented. The level of adoption was rated high for only 9% of recommendations, substantial for 17%, moderate for 27% and low for 47%. The level of adoption of the recommendations has improved since 2015, with a significant increase in 2017. This improvement can be linked to the start of Management's reporting to CODE on the implementation status of actions in September 2017. Given the high level of alignment but low implementation of action plans, the level of adoption of recommendations is largely determined by the degree of implementation.

**Agreed recommendations were more likely to be adopted than partially agreed recommendations.** Of the 175 agreed recommendations, 50 (29%) were adopted at least substantially, compared to only 2 of the 23 partially agreed recommendations.

**In accordance with the MARS proposal approved by CODE in 2013, IDEV proposes to retire (i.e. no longer monitor) 116 recommendations (from 22 evaluations).** Of the 116 action plans in response to recommendations proposed to be retired, 85 were highly aligned, 17 substantially and four moderately. In terms of implementation, 68 scored low, 26 moderate, 10 substantial and 12 high. The scores for adoption are the same.

**Most of the action plans (92%) in response to the recommendations proposed to be retired have been implemented, but generally with delay.** Of the 116 action plans related to recommendations proposed to be retired, 107 have been implemented, but 62 were implemented more than two years after the target completion date (that is, beyond the usual follow-up period stipulated in the MARS guidelines). Of the recommendations proposed to be retired, only 9 have not been fully implemented, but new evaluations are ongoing or completed on similar topics for most of them (6 of 9). The remaining three are ongoing with more than two years of delay, but are no longer relevant due to changes of policy or Bank reforms (in particular the new Development and Business Delivery Model).

**An institutional comparison shows that the AfDB's process of tracking the implementation of evaluation recommendations is close to the practices of comparator organizations.** However, there is room for improvement in terms of strengthening the interactions between IDEV and Management, rationalization of the number of recommendations and setting up of a feedback loop process.

## Recommendations

In line with the above findings, IDEV proposes the following recommendations for further improvement:

**Recommendation 1. Compliance and timeliness** — Management should strengthen a culture of results and accountability by i) continuing to track the implementation of the actions it agreed to take in response to IDEV's evaluation recommendations; and ii) holding Departments accountable for the timely implementation of these actions, including through the use of KPIs.

**Recommendation 2. Evidence on implementation** — Management should record more systematically within MARS the evidence on the implementation of the actions it has taken to address IDEV's recommendations.

**Recommendation 3. Absorptive capacity** — IDEV and Management should work together to improve the quality of evaluation recommendations and ensure the number of recommendations made by IDEV remains manageable – ideally not exceeding five per evaluation.

# Management Response

Management established the Management Action Record System (MARS) to strengthen its compliance with IDEV's recommendations and nurture a culture of compliance and accountability across the Bank more generally. IDEV's assessment of MARS shows that since MARS was set up, Management's compliance with recommendations increased from 13% in 2015 to 77% in 2018. However, the assessment also shows that Management often implemented actions later than scheduled. The assessment also raises important questions around the overall number of recommendations and Management's capacity to absorb them. At present, Management is yet to implement 311 actions[3] and at a rate of one action per working day, it would take more than a year to implement them. This is one of the reasons why IDEV and Management have agreed to retire from MARS old recommendations that are implemented or no longer relevant (8%). In summary, Management agrees with IDEV's recommendations and sets out in this paper what it will do to address them.

## Introduction

Management established MARS with IDEV with the clear objective of increasing a culture of compliance and accountability. Since MARS was established in 2015, Management has regularly tracked implementation of the actions it committed to take in response to IDEV's recommendations. It established a network of focal points in each relevant department with a view to monitoring implementation of the actions and it reports to the Board of Directors twice a year on the status of implementation[4]. This information is also available to Board members through a dedicated website[5].

To further enshrine a culture of compliance and accountability, Management has adopted top-level KPIs that hold heads of departments and complexes accountable for implementing IDEV's recommendations — a commitment it made in the proposal for a seventh General Capital Increase (GCI-VII).

Thanks to these initiatives, IDEV estimates that Management's compliance with its due recommendations has increased from 13% to 77%. However, IDEV's assessment also shows that Management often implemented actions later than scheduled.

In addition, IDEV's assessment raises important questions around the overall number of recommendations and Management's capacity to absorb them. Management will work more closely with IDEV to ensure that the number of recommendations remain manageable ensuring "less means more".

At present, 162 sub-recommendations are recorded as outstanding in MARS. Recommendations typically require more than a single action from Management: indeed, on average, MARS records two actions for each sub-recommendation made by IDEV. In all, therefore, Management has yet to implement 311 actions. At a rate of one action per working day, it would take more than one year and a half year to implement them. This is one reason why IDEV and Management have agreed to retire from MARS old recommendations that are no longer relevant.

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[3] As of June 2020, MARS has 311 actions to be implemented linked to 128 recommendations (and 162 sub-recommendations) from 54 evaluations,
[4] The first MARS flashlight report was issued in September 2017.
[5] Access on DARMS

## Figure 1. Implementation of IDEV's recommendations due between 2015 and 2018



## Implementation of Action Plans

IDEV's assessment found that most of Management's action plans were aligned with IDEV's recommendations and 84% were highly aligned. These results suggest that Management's implementation of action plans will address the issues identified by IDEV in order to attain the evaluation's objectives.

IDEV's assessment also shows that while Management implemented the actions agreed in its Management Responses, it often did so later than originally scheduled. Although there are several reasons for the delays one is Management's lack of realism in setting deadlines for the actions identified. Frequently, Management sets itself ambitious targets that it struggles to meet. The assessment shows some progress in Management setting more reasonable deadlines, and Management expects to improve further as it continues to strengthen reporting and incentives, holding departments and complexes accountable for reaching their KPIs as concerns compliance with IDEV's recommendations.

## Adoption of Recommendations

Management agrees with IDEV on the need to better record within MARS evidence of the actions it takes to implement recommendations. IDEV's assessment shows that Management has made good progress in recording evidence in MARS, increasing the share of actions with supporting evidence from 37% in March 2019 to 89% in June 2019. The Management Action Record below presents actions Management will take to sustain progress in this area.

Management was pleased to see that recommendations concerning enhancing quality-at-entry, client engagement, and results measurement were on average more likely to be adopted in operations. Management is thus committed to enhancing portfolio efficiency, as has been shown by the adoption of the Bank's Integrated Quality Assurance Plan.

## The Quality of Recommendations

IDEV's third recommendation is that IDEV and Management work jointly to improve the quality of recommendations (including sub-recommendations) and ensure that the number of recommendations is manageable. This recommendation is based on three findings:

−    On average, the Bank's evaluations produce more recommendations for action than do evaluations at similar institutions (six recommendations per evaluation at the Bank versus five recommendations per evaluation at AsDB, EIB, and EBRD). In addition to working on numerous recommendations, Management is occupied with delivering on the ambitious GCI-VII and ADF reforms.

−    Although Management's action plans are highly aligned with recommendations, and Management implemented 77% of due action plans agreed with IDEV, the rate of implementation of recommendations was low[6] because most actions were not completed on time. The commitments were implemented on average a year and a half after completion date.

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[6] The level of implementation considers the extent to which actions have been implemented as planned, by taking into account the extent of the delay in implementation

— Management has not always put enough evidence into MARS to demonstrate how it implemented actions to address IDEV's recommendations.

To make sure that the number of recommendations respects Management's absorptive capacity, Management will work with IDEV during the evaluation process to limit the number of recommendations. Management also suggests setting more realistic completion timeframes and coordinating with IDEV to ensure buy-in of the recommendations as they are being developed. From the inception of an evaluation until the evaluation's finalisation and the design of recommendations, reference groups involving IDEV, sector departments, and SNDR should work together to cross-fertilise ideas and develop ownership of the process. IDEV and Management should begin by coming to a common understanding of the evaluation methodology and by agreeing on a process that includes adequate consultation. As for recording actions in MARS, as discussed earlier, Management will sustain its progress in this regard.

## Box 1: Improving the quality of recommendations

*2A.1 Establish a joint procedure for managing evaluations' recommendations*

◼ Delineate roles and responsibilities or identifying, implementing, and tracking evaluations' findings and recommendations (Q4 2020)
◼ Formulate all evaluations' recommendations based on solid evidence and in a way that is practical, actionable, and useful to Management (Q4 2020)
◼ Establish action plans that are fully aligned with the recommendations and whose timelines for implementation are realistic (Q4 2020)

*2A.2 Assess the pertinence of older evaluations' recommendations*

◼ Flag older recommendations that are no longer relevant for CODE's attention with a view to retiring them (Q4 2020)

## Retiring Old Recommendations

As mentioned earlier, IDEV's assessment raises important questions around the high number of recommendations that Management has been asked to absorb. Some recommendations have been superseded by newer ones. Other recommendations, while ongoing, have accumulated more than two years of delay, and changes in policy or Bank reforms (in particular

the new Development and Business Delivery Model) have made them redundant. Management therefore agrees with IDEV's proposal to retire certain recommendations which include 116 of the 198 recommendations assessed from 22 evaluations.

## Conclusion

The valuable lessons and recommendations in IDEV's report will strengthen the Bank's culture of results and accountability. MARS, established in 2015, is a critical management tool to reinforce this culture.

Management will continue to work closely with IDEV to strengthen the Bank's engagement during evaluations in line with the Action Plan to strengthen the Bank's compliance and accountability.

| MANAGEMENT ACTION RECORD | |
|---|---|
| RECOMMENDATION | MANAGEMENT RESPONSE |
| **RECOMMENDATION 1 — COMPLIANCE AND TIMELINESS** | |
| Management should strengthen a culture of results and accountability by:<br>  I.   Continuing to track the implementation of the actions it agreed to take in response to IDEV's recommendations.<br>  II.  Holding departments accountable for the timely implementation of these actions, including through the use of KPIs. | **AGREED** —Bank's top-level KPIs in the Executive Dashboard already include the share of outstanding actions completed in response to IDEV's evaluations. The Dashboard is discussed regularly at SMCC to monitor the speed at which actions are implemented. As part of the GCI-VII, Management also committed to implementing all actions within their agreed timeframe by 2021.<br><br>Further action:<br><br>■  SNDR will monitor the quality of Management responses to ensure that timeframes are realistic, especially for actions that require behaviour change or changes in information technology systems (SNDR, Q4, 2020 but continuous). |
| **RECOMMENDATION 2 — EVIDENCE ON IMPLEMENTATION** | |
| Management should record more systematically within MARS evidence of how it implemented actions to address IDEV's recommendations. | **AGREED** — Management will ensure that evidence is recorded more systematically in MARS.<br><br>Further action:<br><br>■  In consultation with IDEV, SNDR will design guidelines for departments on adequate evidence and the means of verifications expected by IDEV (SNDR, Q4, 2020). |
| **RECOMMENDATION 3 — ABSORPTIVE CAPACITY** | |
| IDEV and Management should work together to improve the quality of evaluations' recommendations and ensure that the number of recommendations made by IDEV remains manageable, ideally not exceeding five recommendations per evaluation. | **AGREED** — IDEV and Management are presently holding special meetings on recommendations to ascertain that the recommendations are based on solid evidence, that they appropriately address the issues raised by the evaluation, and that they are practical, actionable, and useful to Management.<br><br>Further action:<br><br>■  IDEV will ensure that Management/SNDR is invited to participate in each evaluation reference group from the beginning of the evaluation. Management should appoint staff to the Evaluation Reference Group who are empowered to represent the perspective of their entire department or complex. This will ensure good quality and greater adoption of recommendations. SNDR will also work with IDEV to ensure that the number of recommendations are manageable and useful. (IDEV/SNDR, Q4, 2020). |

# 1. INTRODUCTION

**This report presents the results of IDEV's first assessment of the progress made by Management in adopting agreed evaluation recommendations since the African Development Bank (AfDB) established its Management Action Record System (MARS) in 2013.** Tracking the progress of implementation of evaluation recommendations is a good practice recognized among development institutions.[7] It improves accountability, enhances evaluative learning and assists the Board in its oversight role. In addition, it is a key focus area among the 7th General Capital Increase (GCI) commitments of the AfDB (implement 100% of agreed audit and independent evaluation recommendations within their agreed timeframe by 2021).[8]

**Monitoring of Management actions to implement evaluation recommendations has been challenging in the past (especially before 2013) due to the absence of appropriate systems and processes.** On 23 October 2013, a proposal to establish a MARS for the AfDB was adopted by CODE.[9] In 2014, the MARS, an automated IT platform, was developed to record and follow up on all IDEV evaluations for which Bank Management prepares a Management Response, and which are presented and discussed at a CODE meeting. Since the launch of the MARS in 2013 to December 2018, IDEV issued 285 recommendations. Management agreed with 88% of the recommendations, partially agreed with 11% and disagreed with 1% (for which no action plan was drawn up).

**As per the proposal approved by CODE, once an evaluation, its recommendations and Management's Response have been considered by CODE, Management is expected to implement the agreed actions per the proposed timeline.** IDEV conducts the evaluation, draws up the recommendations and sends them to Management. The latter prepares the Management Response (including the management action record) in which it can agree, partially agree or disagree with the recommendations, and proposes concrete actions to address each recommendation. CODE considers the evaluation and the Management Response. Following CODE's consideration, IDEV uploads the evaluation and the agreed and partially agreed recommendations into the MARS. Management has a window of 30 days after the CODE discussion to amend the management action record matrix, if necessary, according to any comments received from CODE and to upload it in the MARS. Management then implements the actions, updates the evidence of implementation in the MARS on a quarterly basis, and reports to CODE twice a year on the status of implementation of the actions. IDEV, in turn, assesses the progress of implementation at the recommendation level in terms of level of alignment, degree of implementation and level of adoption, based on information in the MARS and other channels. It reports to CODE on an annual basis.[10]

**Since September 2017, Management reports to CODE twice a year on the implementation status of actions** it is taking to address IDEV's recommendations through a Flashlight Report. The fifth edition of this report was submitted in July 2019. It forms the basis for IDEV's 2019 report on the level of adoption of evaluation recommendations.

**The IDEV assessment was challenging and delayed for three reasons.** This is the first time that this exercise has been carried out since the establishment of the MARS in 2013. IDEV had to develop the assessment process, design the analysis tools and deal with a significant number of recommendations (198), for which 587 actions were issued. The second reason is related to technical issues. When the assessment was launched in January 2019, the MARS platform was damaged and outdated. The IT department (CHIS), the Delivery, Performance Management and Results Department (SNDR) and IDEV came together to build a new MARS platform from scratch, to recover from various sources the information lost in the previous platform and to fill the platform with adequate evidence. The MARS platform with adequate information was finally ready to be used from June 2019. Finally, to strengthen the quality of the assessment, we employed an extensive quality assurance process (see section 4.2), in which we gave the opportunity to the task managers and team members of the evaluations under review and to the MARS focal points in charge of implementing the actions to review

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[7] MDB-ECG Good-Practice Standards for Country Strategy and Program Evaluation Report. July 2008.
[8] A Proposal for a Seventh General Capital Increase of the African Development Bank (ADB/BD/WP/2019/29/Rev.7) – July 2019.
[9] Proposal for a Management Action Record Mechanism at the African Development Bank (ADB/BD/WP/2013/144 – ADF/BD/WP/2013/117) – October 2013.
[10] Proposal for a Management Action Record Mechanism at the African Development Bank (ADB/BD/WP/2013/144 – ADF/BD/WP/2013/117) – October 2013.

the assessment sheets that we had developed for each recommendation. These factors significantly delayed the delivery of this report. The efforts invested to develop monitoring (MARS platform) and analysis tools (assessment templates) and the proposed retirement of 116 recommendations (including 306 actions) will considerably reduce the time required to produce future annual reports.

The report is organized as follows. Section 2 provides an overview of the AfDB's MARS. The objectives and scope of the assessment are presented in section 3. The methodology, including sampling of recommendations to be assessed and the rating criteria used to assess the level of adoption, follow (Section 4). Section 5 presents the assessment results while Section 6 proposes recommendations to be retired. Section 7 discuss the results of an institutional comparison of the process of monitoring, reporting and assessment of the implementation of evaluation recommendations among eight International Financial Institutions (IFIs). Concluding remarks and recommendations to improve the process are presented in section 8.

# 2. OVERVIEW OF THE MARS[11]

In 2005, the Operations Evaluation Department of the AfDB, now called Independent Development Evaluation (IDEV), in its report "Towards Closing the Evaluation Gap,"[12] identified the lack of a follow-up system as a major constraint for monitoring Management's actions in response to evaluation recommendations. Since then, various other reports and discussions have also highlighted this constraint.[13] In 2013, CODE requested IDEV and Management to set up a joint monitoring and reporting system on Management actions taken to implement the agreed evaluation recommendations.

On 23 October 2013, CODE adopted the proposal for establishing a MARS[14] with the following purposes: (i) to provide an effective and efficient mechanism for systematically tracking and reporting on the implementation of agreed recommendations made by IDEV; (ii) to strengthen accountability; (iii) to increase transparency in the Bank's operations and decision-making; and (iv) to increase the use of and learning from evaluations. The MARS is also intended to be a tool to assist the Board in its oversight role by providing up-to-date information and data on institutional changes, reforms and other crucial issues.

In 2014, the MARS, an automated IT platform, was designed and implemented jointly by IDEV and Management (the IT department and SNDR) to ensure crucial buy-in and ownership. It records all evaluations of IDEV: i) that are of strategic importance and have a broader impact on the Bank's performance and development effectiveness; and ii) for which Bank Management has prepared a Management Response, presented and discussed at a CODE meeting. The follow up concerns only the implementation of agreed and partially agreed recommendations.

## 2.1. Roles and Responsibilities of Actors

IDEV is responsible for uploading each evaluation and the agreed recommendations into the MARS, assessing the level of adoption of the recommendations, and reporting to CODE on an annual basis.

On the Management side, the Senior Vice President's Office (SNVP) and SNDR have the most important roles. SNDR i) coordinates the process, including identifying the Lead Implementing Department (LID) and Other Implementing Departments (OIDs) for each action; ii) prepares

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[11] Based on all data available in MARS in June 2019.
[12] Towards Closing Evaluation Gaps at the African Development Bank (ADB/BD/WP/2005/123 –ADF/BD/WP/2005/143) – November 2005.
[13] Closing the Evaluation Gap, ADF-VII-IX evaluation, 2005 external Review on independence of the Operations Evaluation Department (OPEV), discussions during ADF X replenishment and ADF XIII, OPEV rolling Work Program 2006-2008, 2012-2014 & 2013-2015, OPEV self-assessment 2012, OPEV Strategy 2013-2017.
[14] Proposal for a Management Action Record Mechanism at the African Development Bank (ADB/BD/WP/2013/144 – ADF/BD/WP/2013/117) – October 2013.

Management Responses (MRs) and Management Action Records[15] (MARs) including Action Completion Target Dates (ACTDs), baselines, targets and indicators in collaboration with LIDs and OIDs (when applicable); iii) ensures the quality and consistency of the MARs and the inputs in the MARS including action updates; and iv) reports on the status of implementation of actions twice a year to CODE. LIDs implement the actions in collaboration with OIDs and update the MARS on a quarterly basis. SNVP ensures that Management updates the MARS at agreed-upon dates and has the authority to make final judgments in case of any disagreement between the implementing departments.

**The Board, through CODE, provides overall guidance and considers SNDR's six-monthly report on the implementation status of actions and IDEV's annual report on the level of adoption of recommendations.**

Table A1.1 in Annex 1 provides a summary of the roles and responsibilities of each actor or stakeholder while Figure A1.1 in Annex 1 describes in detail the different steps of operation and updating of the information in the MARS.

## 2.2. Portfolio Overview

**From its inception in 2013 to December 2018, 47 evaluations were registered in the MARS (Figure 2).** They are subdivided into Country Strategy and Program Evaluations (CSPEs – 40.4%), Corporate and Process Evaluations (21.3%), Thematic Evaluations (19.1%), Sector Evaluations (6.4%), Regional Integration Strategy Evaluations (8.5%) and Impact Evaluations (4.3%).

**The 47 evaluations contained 285 recommendations with 423 sub-recommendations. Management agreed with 252 (88%) recommendations, partially agreed with 30 (11%) and disagreed with three (1%).** In response to the 282 recommendations with which Management agreed or partially agreed, 871 actions have been planned. On average, there were six recommendations per evaluation, 1.5 sub-recommendations per recommendation and three actions per recommendation (Figure 2).

**Figure 2 Distribution of evaluations, recommendations, sub-recommendations and actions by year of CODE meeting and type of evaluation**
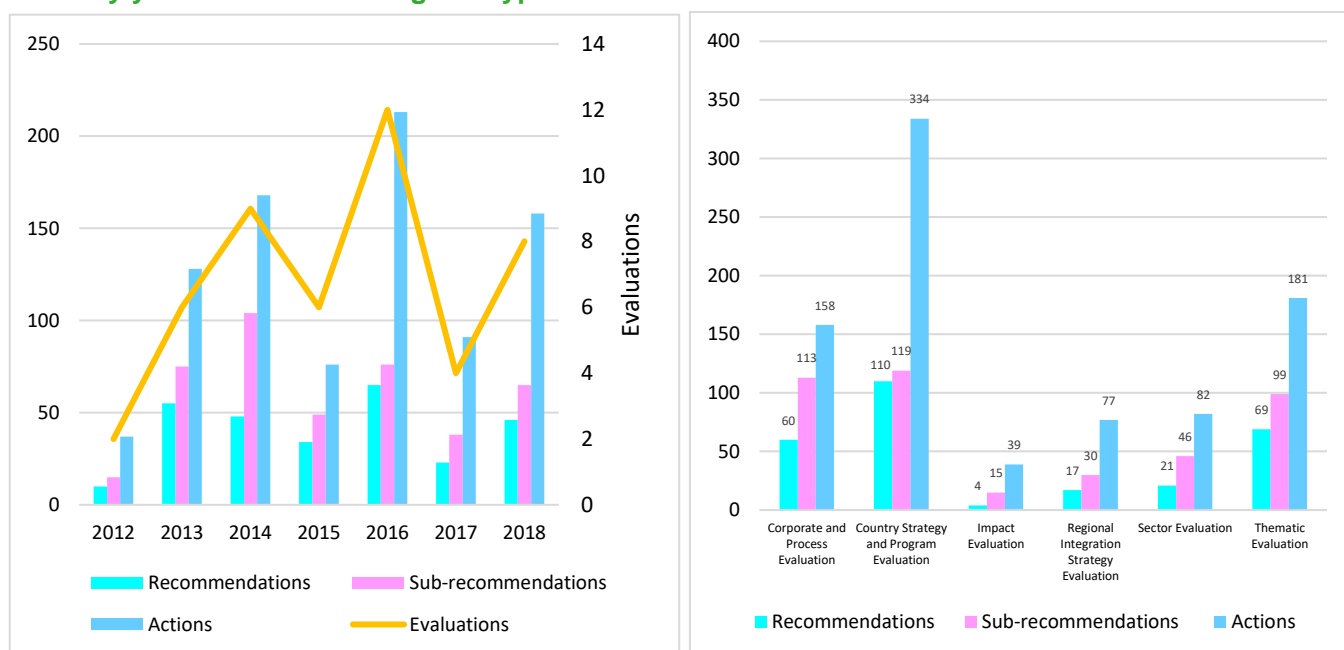


Source: MARS data.

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[15] The Management Action Record is an overview of all the recommendations and their corresponding action plans for a given evaluation.

**The Bank's Regional Development, Integration, and Business Delivery Complex (RDVP) is responsible for the implementation of 45% of the actions** (Figure 3) followed by the Private Sector, Infrastructure and Industrialization Complex (PIVP), the Agriculture, Human and Social Development Complex (AHVP), SNVP, and the Economic Governance and Knowledge Management Complex (ECVP) with around 10% each. The President's Office (PRST), the Power, Energy, Climate and Green Growth Complex (PEVP), the Finance Complex (FIVP) and the Corporate Services and Human Resources Complex (CHVP) together are responsible for 8% of the action portfolio.

**Figure 3 Distribution of actions by Complex**
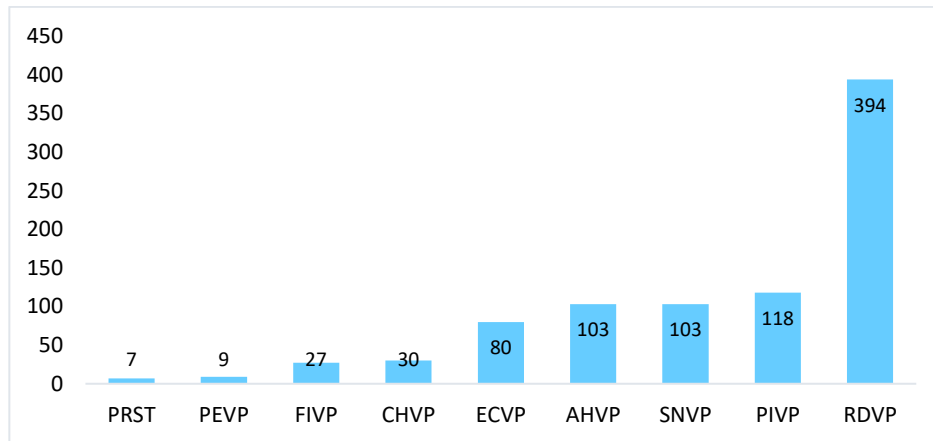


Source: MARS data.

**The planned implementation period for Management actions is, on average, one year and nine months.** The target implementation time (Figure 3), defined as the difference between the date of the CODE meeting and the target completion date laid down in the Management Action Record, is on average 649 days. It varies considerably according to the type of evaluation. Actions in response to thematic evaluations and impact evaluations have the shortest implementation target times, of 246 and 491 days, respectively. On the other hand, actions in response to CSPEs and Regional Integration Strategy Evaluations have the longest implementation target times, of 943 days and 699 days, respectively.

**Figure 4 Implementation target time by type of evaluation**
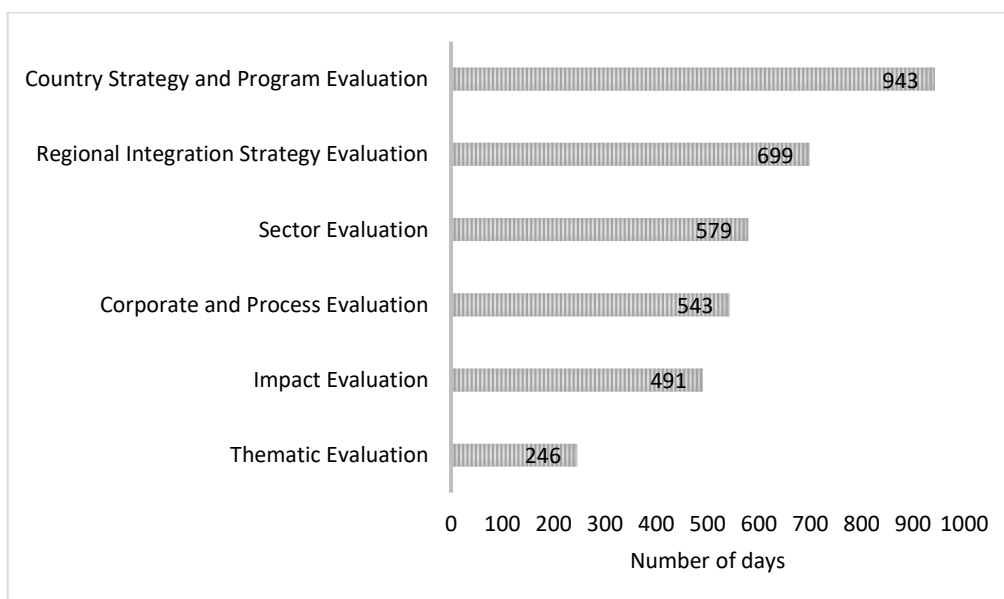


Source: MARS data.

# 3. ASSESSMENT OBJECTIVES AND SCOPE

**The purpose of this report is to provide CODE with IDEV's assessment of the status of adoption of agreed recommendations.** It does not purport to fully assess the MARS system (implementation, process and results), which would require a full evaluation that also looks at the quality of recommendations (detailed, actionable, evidence-based) and the outcomes of the action plans[16] (e.g., whether the issue highlighted by the recommendation has been addressed). Specifically, the objectives of this report are to:

✓ Examine the extent to which Management has adopted the agreed recommendations of IDEV by assessing the alignment of the actions to the respective recommendations and the degree of implementation of the actions;

✓ Conduct a comparative analysis of the process of following up, reporting and assessing the level of implementation of recommendations among the international development institutions and draw lessons based on best practices;

✓ Improve accountability in implementing the agreed recommendations and assist the Board of Directors in its oversight role; and

✓ Provide the Bank's Senior Management with recommendations on ways to improve the adoption of evaluation recommendations.

# 4. METHODOLOGY

## 4.1. Sampling of Recommendations

**For this 2019 report, the assessment considered the evaluation recommendations with all their actions due by December 2018, which represents 198 recommendations from 36 evaluations, with 304 sub-recommendations and 587 actions** (Figure 5)**.**[17] The analysis focused on the recommendations with <u>all</u> their actions due because it is difficult to assess the implementation and adoption of a recommendation when some of its related actions are not yet due. The unit of analysis is the recommendation, which is issued and should be considered in the context of its evaluation. In March 2019, when IDEV started its 2019 assessment, out of the 587 actions to be assessed, the MARS focal points in the LIDs had provided evidence of progress for only 217 actions (37%). Given this low number and the importance of a quality evidence base to accurately assess the level of implementation of the actions, between March and June 2019, SNDR worked with the MARS focal points to increase the share of actions that had supporting evidence from 37% to 88.5% (without taking into account the relevance and quality of the evidence provided). Management should continue these efforts. Having adequate evidence on implementation is completely within Management's control and the goal should be 100%.

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[16] An action plan is defined as all the actions committed by Management in response to a given recommendation in an IDEV evaluation. The number of action plans thus equals the number of agreed and partially agreed recommendations.
[17] The list of the evaluations assessed in 2019 is presented in Annex 2.

**Figure 5 Distribution of recommendations, sub-recommendations and actions in the overall and assessment samples**
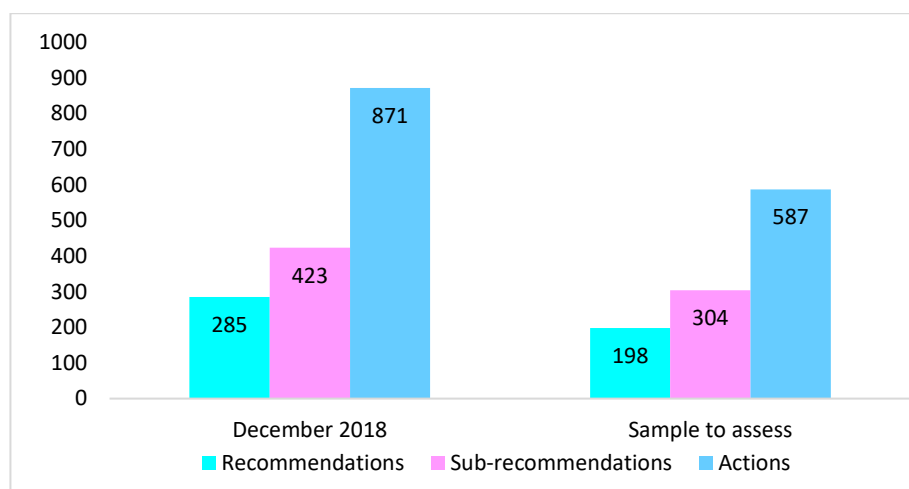


Source: MARS data.

## 4.2. Analytical Framework

**Based on the evidence provided by Management in the MARS IT platform, a four-point scale (High, Substantial, Moderate and Low) was used to assess Management's action plans in terms of alignment, implementation and level of adoption of recommendations** (Table 1 and Figure 6)**.** The *level of alignment* examines the extent to which the action plans in the Management Response are aligned with the agreed recommendations of IDEV, while the *degree of implementation* explores the extent to which the action plans have been implemented as planned. Therefore, for actions implemented or ongoing with delay, the assessment will go beyond the simple implementation status ("completed with delay"; "ongoing with delay"; or "no progress with delay") to consider the extent of the delay. The longer the delay is, the lower the score will be: for example, the score on "degree of implementation" will be higher for an action implemented with three months delay than for an action implemented with two years' delay.

**Figure 6 Formula for rating the level of adoption of a recommendation**



Source: Proposal for a Management Action Record Mechanism at the African Development Bank (ADB/BD/WP/2013/144 – ADF/BD/WP/2013/117) – October 2013.

**The rating on the level of adoption of the recommendations combines the ratings on the level of alignment and the degree of implementation** (Table 1). For a recommendation to be considered adopted, it must be both aligned and implemented, and the overall rating is the lower of the two ratings on alignment and implementation (also rated on a four-point scale). The assessment template is provided in Annex 3.

## Table 1. Rating scale criteria

| Score | Low | Moderate | Substantial | High |
|---|---|---|---|---|
| | **1** | **2** | **3** | **4** |
| **Level of Alignment** | Very weak or nonexistent alignment of most of the committed actions with the recommendation. | Limited alignment of most of the committed actions with the recommendation. | Strong alignment of most of the committed actions, with minor shortcomings. | Very solid alignment of all committed actions with the recommendation. |
| **Level of implementation** | If most of the actions have been completed with a delay greater than or equal to two (02) years **Or** are ongoing with a delay greater than or equal to one (01) year **Or** Management did not provide enough evidence on the implementation of the actions. | If most of the actions have been completed with a delay greater than one (01) year but less than two (02) years **Or** are ongoing with a delay of less than one (01) year. | If most of the actions have been completed no later than one (01) year after the target completion date. | If all actions have been completed as planned. |
| **Level of Adoption=Level of Alignment + Level of Implementation** | | | | |
| **Level of Adoption (Overall rating)** | If Alignment OR Implementation is rated "Low." | If Alignment AND Implementation are rated at least "Moderate." | If Alignment AND Implementation are rated at least "Substantial." | If Alignment AND Implementation are both rated "High." |

**An action plan is generally composed of several actions, and each action has a specific target completion date and is assigned to a given department** (the LID)**.** Often, several departments (often from different complexes) are involved in the implementation of an action plan (the OIDs). Therefore, the assessment of the performance of departments and complexes is based on the ratings of the actions[18] for which they are responsible.

**Quality assurance of IDEV's assessment took place through strong engagement with Management and extensive review of IDEV's assessment tools and analysis by Management, evaluators and peer reviewers** through six steps:

  i.   two IDEV evaluators reviewed and assessed the entire set of action plans according to the assessment templates;[19]
  ii.  the task manager or a team member from the original evaluation reviewed the assessment template for each recommendation from that evaluation in order to bring his/her expertise on the topic of the evaluation;
  iii. IDEV management reviewed the assessment templates;
  iv.  the Management and MARS focal points in the LIDs reviewed the assessment templates (during this step, they had the opportunity to provide additional evidence or new developments when needed);
  v.   two internal peer reviewers ensured the quality of all steps of the production of the report; and
  vi.  the assessment team finalized the assessment templates considering the comments and drafted the technical report.

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[18] The rating of an action is that of the related recommendation.
[19] At other IFIs, this is a common practice. For instance, at the EBRD, the evaluator responsible for developing the recommendation is generally responsible for inputting the EvD assessment into the system.

# 5. ASSESSMENT RESULTS

This section presents the assessment findings. The overall findings as concerns alignment, implementation and adoption are presented first, followed by an analysis of performance along five dimensions (recommendation status, topic of recommendation, type of evaluation, Complex and target completion year). The findings are reported at the recommendation level except for Complex and target completion year. These two dimensions are defined at the action level; therefore, the findings are reported at this level using the related recommendation rating.

## 5.1. Main Findings: Alignment, Implementation and Adoption

**Finding 1: Most action plans were aligned with the recommendations.** Alignment captured the extent to which the action plans in the Management Response were aligned with the agreed recommendations of IDEV. The implementation of aligned action plans is expected to address the issues identified by the evaluation or lead to the achievement of a desirable objective highlighted by the evaluation. Of the 198 action plans assessed by IDEV, 83.8% (166) were highly aligned with the recommendations from IDEV evaluations, 12.6% (25) were substantially aligned and only 3.6% (7) were moderately aligned.

**Finding 2: The level of implementation of most of the action plans was found to be weak.** The level of implementation considers the extent to which actions have been implemented as planned, going beyond the simple implementation status by taking into account the <u>extent</u> of the delay in implementation (see Table 1). Of the 198 action plans assessed, the level of implementation was deemed low for 47% (93), moderate for 27% (53), substantial for 17% (34) and high for 9% (18). Figure 7 presents the distribution of the ratings of the action plans and the main reasons for the low scores on implementation.

**Figure 7 Ratings of the action plans on Level of implementation and main reasons for the low and moderate level of implementation**
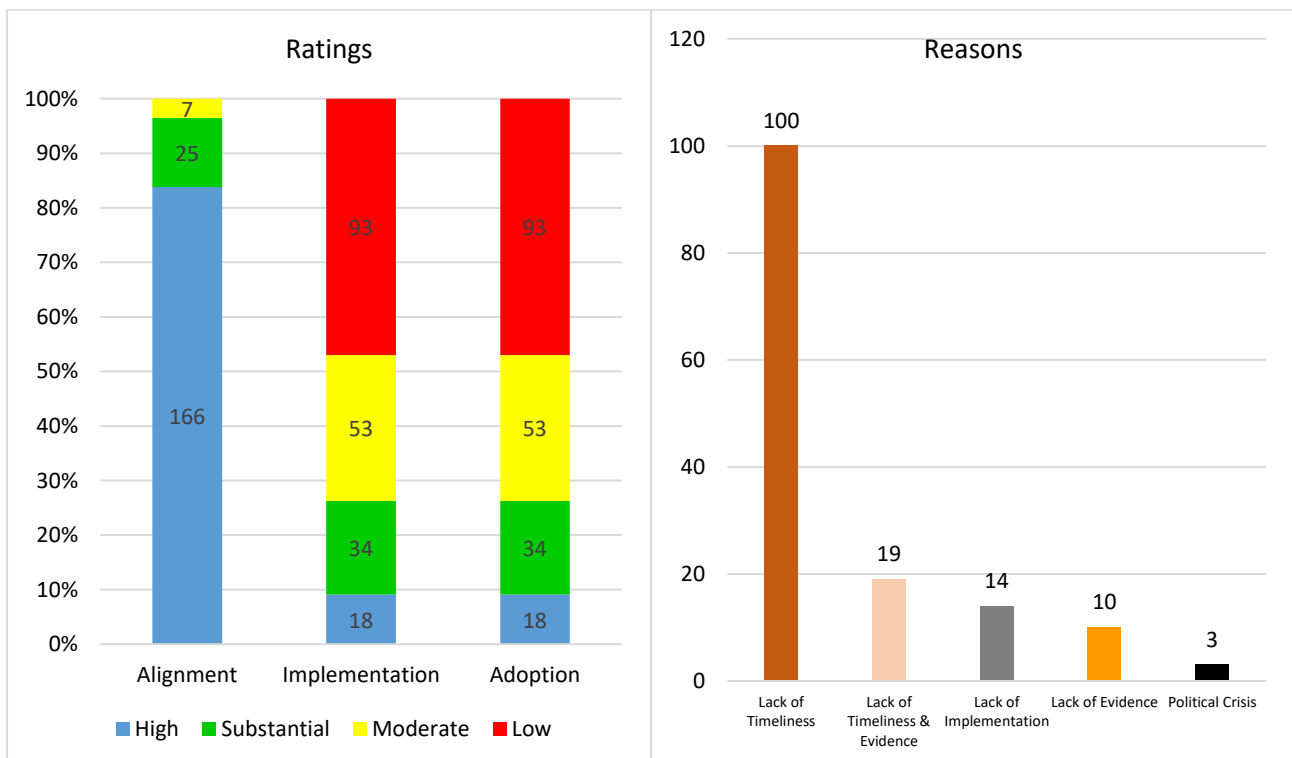


Source: IDEV assessment.

**Finding 3: Significant delays in implementation were the main reason for the low scores on implementation of the action plans.** Indeed, 77% of the action plans were implemented, but most of them with a delay. On average, the committed actions have been implemented more than a year and a half (624 days) after the action completion target dates. IDEV further examined all action plans for which the level of implementation was deemed low or moderate (146 of 198). Lack of timeliness was the main reason for weak implementation ratings (68% of the cases), followed by a combination of lack of timeliness and lack of evidence (13%). Lack of implementation (10%), lack of evidence (7%) and political crisis[20] (2%) also contributed to low ratings.

**Finding 4: The level of adoption of IDEV's recommendations was low.** Only 9% (18) of recommendations were rated high on adoption, 17% (34) substantial, 27% (53) moderate and 47% (93) low. For adoption of recommendations to be rated high, both alignment and implementation have to be rated high. For adoption of recommendations to be rated substantial, both alignment and implementation have to be rated at least substantial.

**Finding 5: Adoption is mainly driven by implementation** (Figure 7). Given the definition of the level of adoption and the high level of alignment of the action plans with the recommendations, the level of adoption is mainly driven by the level of implementation. For instance, adoption of a recommendation is rated low even if the action plan is highly aligned with the recommendation, but implementation is rated low.

## 5.2. Performance by Recommendation Status

**Finding 6: Management performed better in implementing the agreed recommendations compared to the partially agreed recommendations** (Figure 8). Of the 175 agreed recommendations, 50 (29%) were adopted substantially or highly, whereas only 2 of the 23 partially agreed recommendations were adopted substantially or highly. There is no significant difference between the alignment rates (at least substantially) of the action plans of agreed recommendations (96%) and those of partially agreed recommendations (95%).

**Figure 8 Ratings by recommendation status**
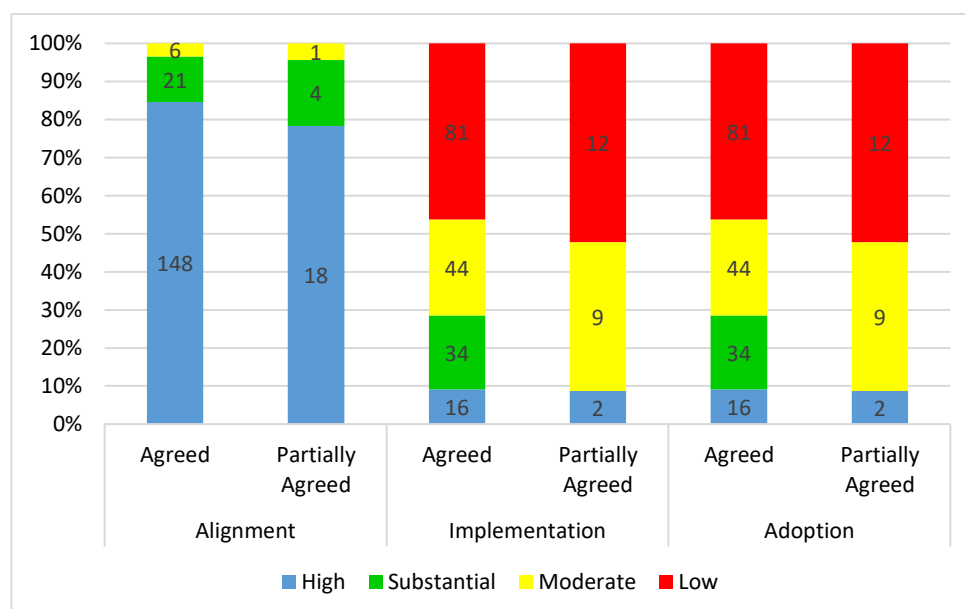


Source: IDEV assessment.

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[20] Identified in fragile countries.

## 5.3. Performance by Topic of Recommendation

For this part of the assessment, IDEV classified the recommendations according to their topic, as foreseen by the MARS proposal adopted by CODE. The topics include Strategic Framework, Organizational Structure of the AfDB, Quality at entry, Human Resources, Results measurement, Environmental and Social Safeguards, and Engagement with Civil Society. Annex 4 provides more information on the classification of the recommendations.

**Finding 7:** Recommendations concerning **quality at entry (9 out of 21), client engagement (7 of 19) and results measurement (8 of 26) were more likely to be adopted (at least substantially) than average (Figure 9).**[21] Recommendations related to organizational structure had low adoption (only 2 of 16 had at least substantial adoption). Recommendations related to the strategic framework, instruments, knowledge and operational policies had average adoptions rates (20-26% with substantial or better adoption).

**Figure 9 Level of adoption by topic of recommendation**
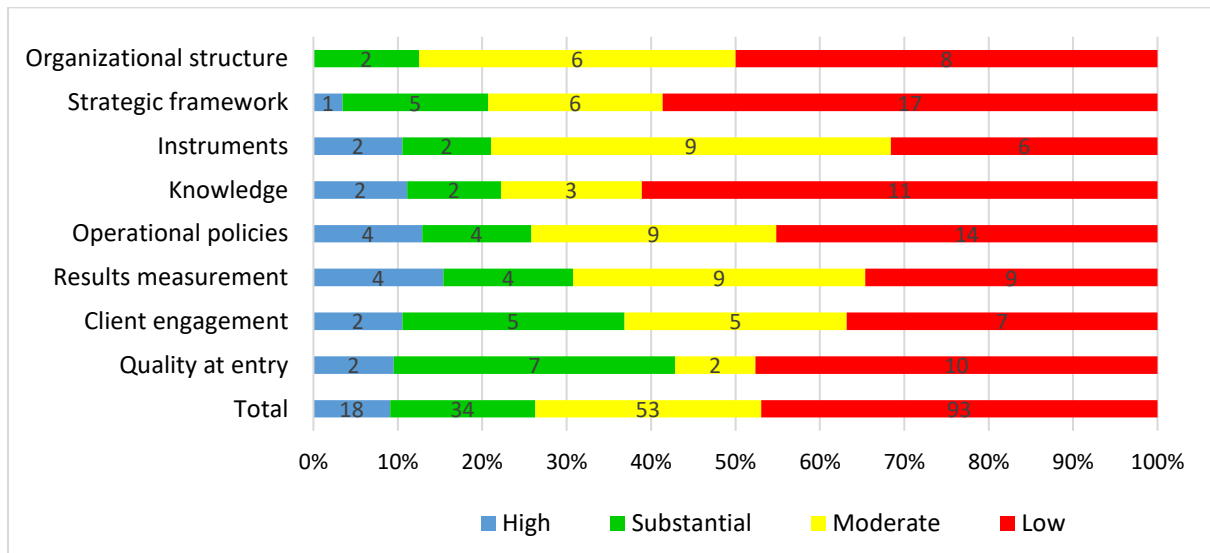


Source: IDEV assessment. Graph only shows recommendation topics with 10 or more observations.

## 5.4. Performance by Type of Evaluation

**Finding 8: The level of adoption of recommendations varies with the type of evaluation. CSPEs (with 29 out of 64 recommendations) had the highest ratings on adoption compared to other types of evaluation** (i.e. corporate and process evaluation, thematic evaluation, sector evaluation).[22] Examples of evaluations with a high adoption rate include the Chad and South Africa CSPEs. Conversely, the adoption of recommendations of sector evaluations was weak (15 out of 19 recommendations were rated low), as were those for corporate and process (30 out of 50 rated low) and thematic evaluation (30 out of 54). Among the corporate evaluations assessed, the evaluations of the Additionality and Development Outcome Assessment (ADOA) and of Trust Funds had low adoption rates. Figure 10 presents the level of adoption of the recommendations per type of evaluation.

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[21] Topics of recommendations with few observations are omitted from this analysis: Civil society (0 out of 1 with at least substantial adoption); capacity building (1 out of 2); gender (2 out of 2); environmental and social safeguards (0 out of 3); sustainability (1 out of 4); and human resources (0 out of 7).
[22] For impact evaluations (3 out of 4 recommendations with at least substantial adoption) and regional integration strategy evaluations (3 out of 7) the number of recommendations is too small to draw meaningful conclusions.

## Figure 10 Level of adoption per type of evaluation
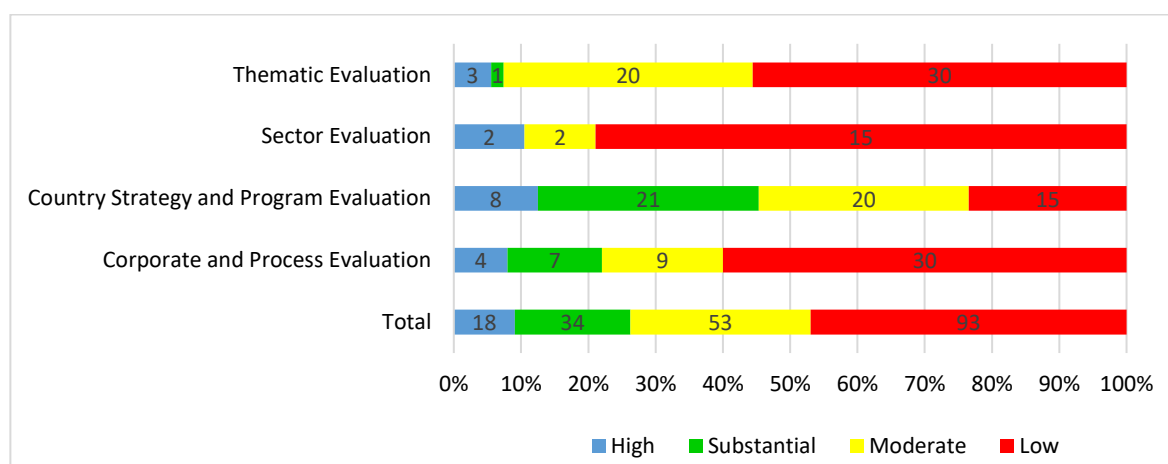


Source: IDEV assessment. Excludes evaluation types with less than 10 recommendations.

**Finding 9: Lack of timeliness and evidence are the main reasons for low and moderate levels of adoption for all types of evaluations.**[23] The issue of implementation (the actions implemented with delay or ongoing with delays) is observed for many recommendations, especially those from thematic, sector, corporate and process, and country strategy and program evaluations. Figure 11 presents the main reasons for the low level of adoption by type of evaluation.

## Figure 11. Main reasons for low levels of adoption per evaluation type
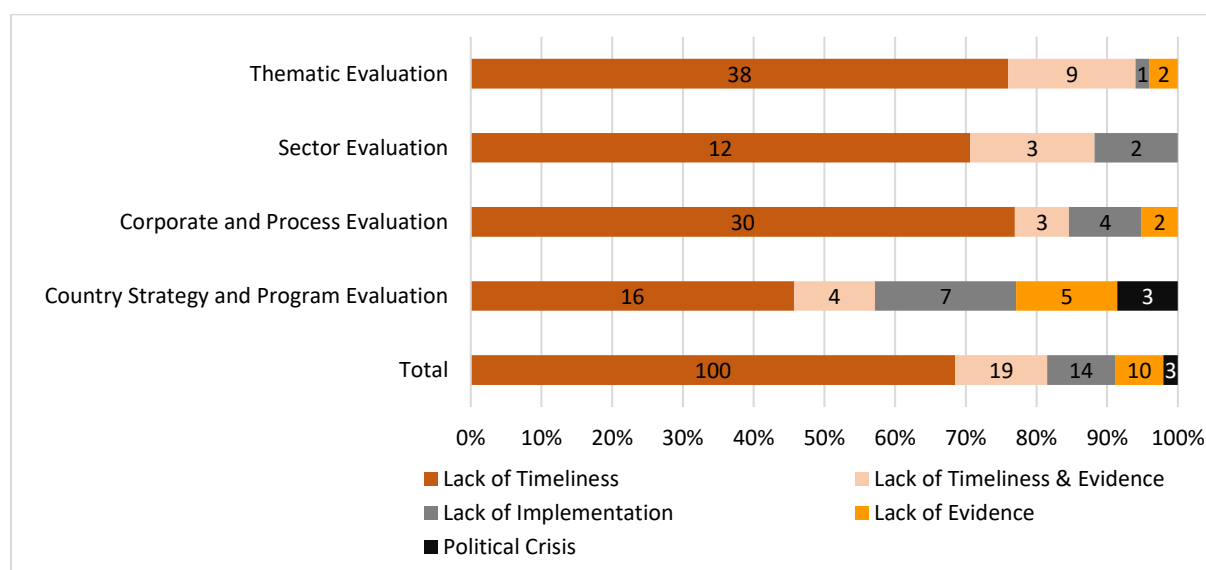


Source: IDEV assessment. Excludes evaluation types with less than 10 recommendations.

## 5.5. Performance by Complex

**Finding 10: By complex, AHVP and RDVP performed best overall; PIVP, ECVP and CHVP worst** (Figure 11). The complexes that performed the best in adopting IDEV's recommendations were AHVP (34 of the 65 actions assigned to the complex were at least substantially adopted) and RDVP (83 of 209 actions); SNVP (26 of 84 actions) performed moderately; and ECVP (9 of 63 actions), CHVP (3 of 22 actions) and PIVP (6 of 102 actions) performed worst. At the department level, with at least 60% of

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[23] Except for one impact evaluation, for which the lack of evidence was the reason for moderate performance.

their assigned actions in response to recommendations at least substantially adopted, RDGE, AHWS and SNOQ have performed well in adopting IDEV recommendations.

Looking specifically at the level of implementation and implementation delays, on average, CHVP and AHVP have less than one year of delay in implementing their actions, while PIVP and SNVP have more than two years delay, and ECVP more than three years. Overall CHVP has the least implementation delays, but it has many actions in the category "over the target completion date with less than two years of delay." These delays are therefore likely to increase up to two years or more if the committed actions are not implemented.

**Figure 12. Level of adoption and extent of delays per complex.**
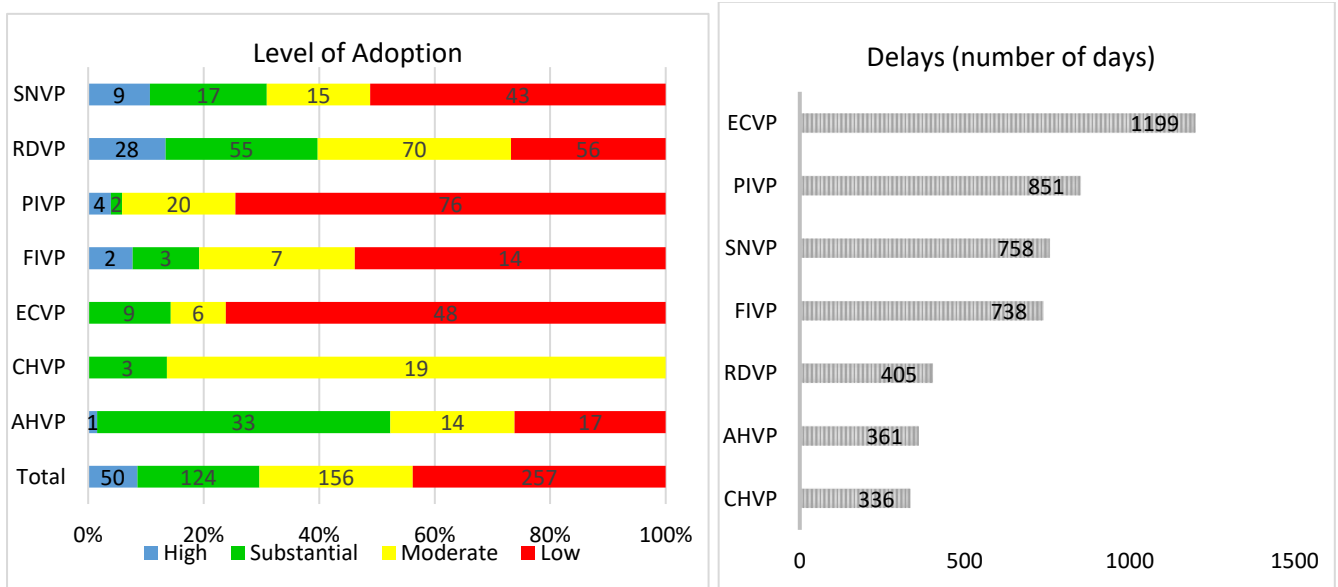


Source: IDEV assessment. Excludes Complexes with less than 20 actions.

### 5.6. Performance by Target Completion Year

**Finding 11: The number of actions in response to recommendations at least substantially adopted has improved since 2015 with a significant jump in 2017,** which can be linked to the start of Management (SNDR) reporting to CODE on the implementation status of actions in September 2017. Figure 13 presents the distribution of actions by target completion date.

**Figure 13. Level of adoption per target completion year**
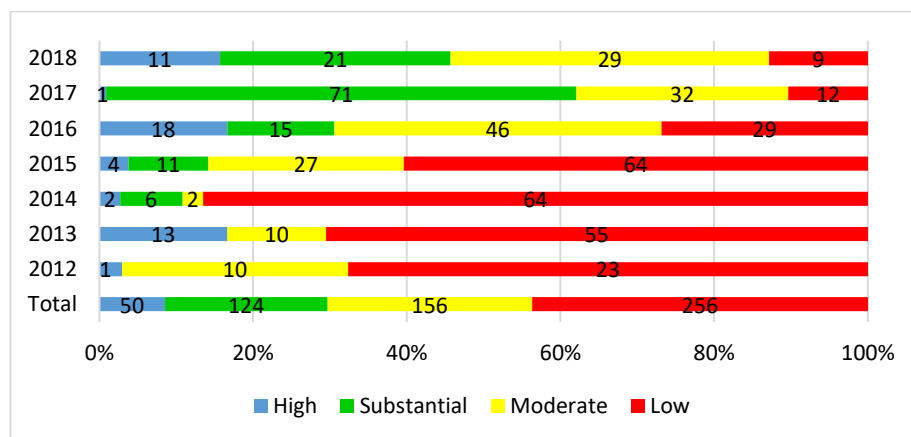


Source: IDEV assessment.

# 6. RETIRING RECOMMENDATIONS

In the MARS proposal adopted by CODE in 2013,[24] it is envisaged that recommendations will be monitored until their due date, plus two more years to ensure that any progress made after this date is captured. After this period, the recommendations should be retired (i.e. no longer monitored). IDEV proposes to retire the following recommendations: i) those whose related action plans are actually implemented and the target completion date is more than two years in the past; ii) those whose related action plans are ongoing with more than two years of delay but which are no longer relevant due to changes of policy or Bank reforms (in particular the new Development and Business Delivery Model); and iii) those who have become redundant or have been superseded by other, newer recommendations. The proposal to retire concerns 116 of the 198 recommendations assessed, from 22 evaluations.[25] In response to these recommendations, Management had formulated 306 actions.

**Finding 12: Most of the action plans (92%) in response to the recommendations proposed to be retired have been implemented, but generally with a delay.** Of the 116 action plans related to recommendations proposed to be retired, 107 have been implemented. Among the latter, only 9% (10 action plans) were on time and 33% (35 action plans) had a delay between zero and two years (Figure 14). A further 58% (62 action plans) were implemented more than two years after the target completion date, that is, beyond the monitoring period. If the MARS guidelines are scrupulously followed, these 62 action plans should be considered as not implemented, which would reduce the percentage of implemented action plans from 92% to 39%. Of the 116 recommendations proposed to be retired, 9 have not been fully implemented. Their ongoing actions are delayed by more than two years and new evaluations are ongoing or completed on the same topics for 6 of the 9 recommendations, and three are ongoing with more than two years of delay but are no longer relevant due to changes of policy or Bank reforms (in particular the new Development and Business Delivery Model; see Annex 6 – for more details).

**Figure 14 Distribution of action plans related to recommendations proposed to be retired by average delay in implementation**
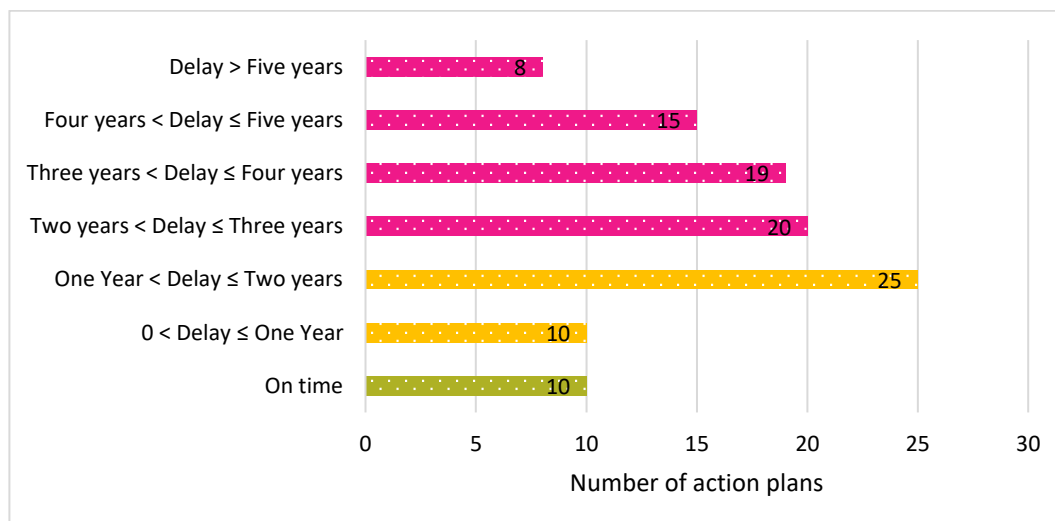


Source: IDEV assessment.

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[24] Proposal for a Management Action Record Mechanism at the African Development Bank (ADB/BD/WP/2013/144 – ADF/BD/WP/2013/117) – October 2013.
[25] Annex 5 contains a list of recommendations proposed to be retired that are implemented, and the target completion date is more than two years past; Annex 6 lists those that have not been implemented.

**Finding 13: The share of recommendations proposed to be retired assessed as highly or substantially adopted is low (19%) while the level of alignment is high.** Of the 116 recommendations, 68 were rated low, 26 moderate, 10 substantial and only 12 high on adoption. Of the 94 action plans rated low or moderate, lack of timeliness was identified as the main challenge in the implementation of 85 action plans (Figure 15).

**Figure 15 Distribution of the ratings and reasons for low ratings of the recommendations proposed to be retired**
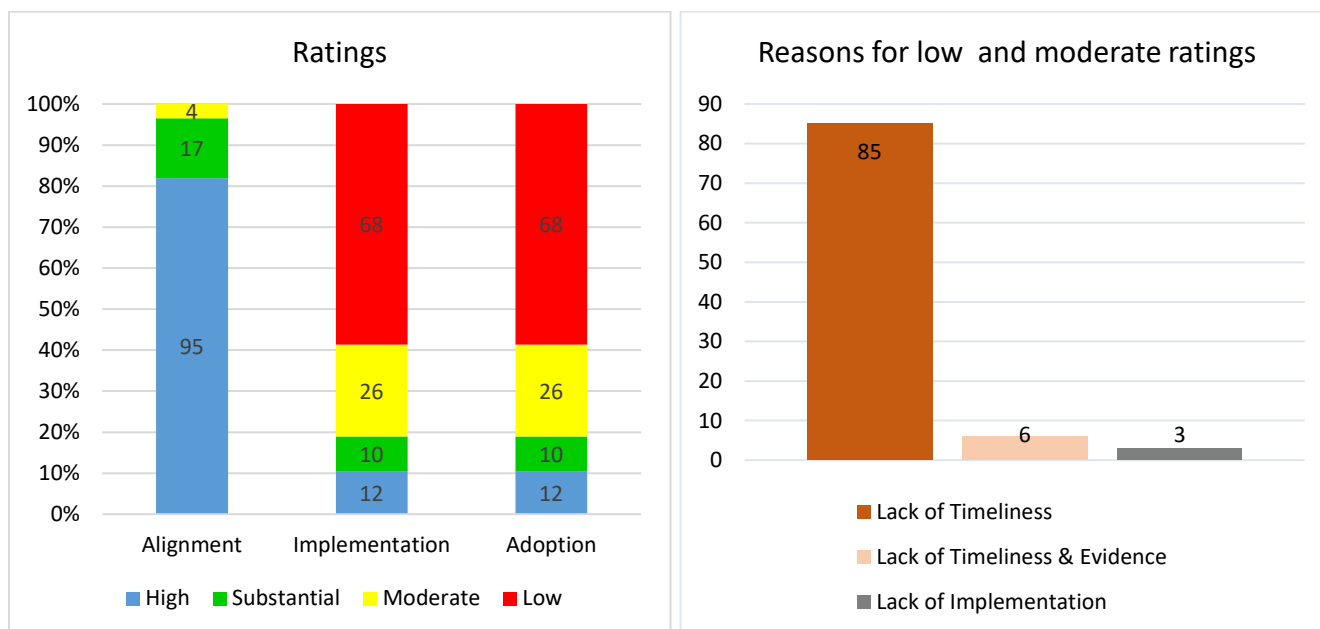


Source: IDEV assessment.

# 7. FEATURES OF THE AFDB'S MARS AND KEY LESSONS FROM INSTITUTIONAL COMPARISON

As part of the process of preparing this report, IDEV carried out an institutional comparison to benchmark the process of monitoring, reporting and assessing the implementation of evaluation recommendations among various IFIs. The exercise was based on extensive desk research and review of information and documents provided by members of the Evaluation Cooperation Group (ECG). The analysis focused on eight IFIs:

✓ African Development Bank (AfDB)
✓ Asian Development Bank (AsDB)
✓ European Bank for Reconstruction and Development (EBRD)
✓ European Investment Bank (EIB)
✓ Inter-American Development Bank (IDB)
✓ International Fund for Agricultural Development (IFAD)
✓ Islamic Development Bank (IsDB)
✓ World Bank Group (WBG)

The analysis covered the evaluation process from the existence of policies (or guidelines), to the formulation of recommendations, Management responses and action plans, to the assessment of the level of implementation of the recommendations.

The benchmarking helped to understand the best practices among comparator institutions of the AfDB (see the comparative table presented in Annex 7 for more details). It showed that the evaluation process

and the process of tracking the implementation of evaluation recommendations at the AfDB has many of the main features of best practices in comparator institutions.

The following are the current practices at the AfDB:

- The AfDB has an independent evaluation function which independently conducts evaluations and engages with Senior Management and operations departments through dedicated meetings (inception meeting, reference group meetings) and ad-hoc consultations to maintain good cooperation between the evaluators and the operational services and management throughout the evaluation process.
- The Management Response increases the ownership and engagement with the action plans that follow and improves the follow up and reporting on implementation progress.
- Action plans, included in the Management Response in the form of management action record matrices, are developed prior to CODE discussion. Management has 30 calendar days after the CODE meeting to adjust the action plans to reflect CODE's views, if needed.
- Management is committed to working closely with IDEV during the preparation of the Management Response to ensure that IDEV is provided with opportunities to comment on action plans, which is likely to improve the alignment of actions with recommendations and their implementation.
- An IT system, MARS, records all evaluations of IDEV: i) that are of strategic importance and have a broader impact on the Bank's performance and development effectiveness; and ii) for which Bank Management prepares a Management Response, presented and discussed at a CODE meeting. The follow up concerns only the implementation of agreed or partially agreed recommendations.
- Management reports twice a year on the progress of the implementation of actions.
- IDEV independently assesses the level of adoption of recommendations once a year and reports to the CODE. The first report is scheduled for 2020.

The evaluation process and the process of tracking the implementation of evaluation recommendations at the AfDB are likely to enhance the development and monitoring of the implementation of IDEV recommendations. The following improvements are possible, compared with the best practices of the other IFIs.

- Within the evaluation functions of IFIs, there is a consensus that the **number of recommendations per evaluation should not be too many;** "less is more." For instance, the evaluation functions of the IDB and IFAD issued an average of 3.7 (OVE annual report, 2017) and 3.95 (PRISMA 2018) recommendations, respectively, per evaluation. For the evaluations recorded in the AfDB MARS, there are on average six recommendations per evaluation, which is close to the practice at AsDB, EIB and EBRD (with on average 5 recommendations per evaluation). IDEV should work on prioritizing recommendations as much as possible to maintain an acceptable number of recommendations per evaluation.
- **Provide a feedback loop mechanism.** In a review of evaluation recommendations, management responses and feedback loop processes, an ECG Working Group (2018)[26] found that none of the participating institutions (EIB, AsDB, IFAD, IDB, IsDB, GEF, WBG) had a formalized feedback loop mechanism specifically for these processes. This was seen as a missed opportunity by the Working Group. A feedback loop mechanism helps to improve the formulation of evaluation recommendations and their implementation, based on meta-level consideration of identified lessons. Introducing such a mechanism at the AfDB would ensure that the lessons drawn in the evaluation process in general and, in particular, the implementation of the MARS, are integrated in order to improve the process and the systems in place. A review of the system and procedures every three to five years may ensure that lessons are learned and applied.

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[26] Final Report ECG Working Group on Evaluation Recommendations, Management Responses and Feedback Loops, December 2018.

# 8. CONCLUSIONS AND RECOMMENDATIONS

This report is produced following the commitment of IDEV to undertake an assessment of the level of adoption of its evaluations' recommendations annually.

**The assessment showed that the analyzed action plans were highly aligned with the recommendations.** Indeed, of the 198 action plans assessed by IDEV, 83.8% were found to be highly aligned with the recommendations from IDEV evaluations. 12.6% of the action plans were substantially aligned with the recommendation, while only 3.6% had only moderate alignment with the recommendations.

**Most of the action plans (77%) have been implemented, but generally with significant delays, which led to a low score in terms of implementation.** Of the 198 action plans assessed, only 26% were rated substantial or high on implementation. On average, the actions were implemented more than a year and a half (624 days) after their target completion date. Of the 146 action plans rated low or moderate, lack of timeliness was the main challenge in implementing recommendations (68% of the cases). Finally, Management performed better in implementing agreed recommendations compared to partially agreed recommendations.

**The level of adoption of IDEV's recommendations was low. In this assessment, adoption of recommendations was rated high in 9% and substantial in 17% of cases.** Given the high level of alignment but low implementation of action plans, it is clear that the level of adoption is driven by the implementation. The analysis also brought out some differences in the level of adoption across complexes, topics, and types of evaluation.

**In line with the MARS proposal adopted by CODE in 2013, IDEV proposes to retire 116 of the 198 assessed recommendations.** Most of the action plans (107, or 92%) in response to these recommendations have been implemented, but generally with delay. Only 9% (10 action plans) were on time and 33% (35 action plans) had a delay of between zero and two years. A further 58% (62 action plans) were implemented more than two years after the target completion date. Of the recommendations proposed to be retired, 9 have not been fully implemented.

In line with the findings of the assessment and the benchmarking exercise, the report makes the following recommendations:

**Recommendation 1. Compliance and timeliness** — Management should strengthen a culture of results and accountability by i) continuing to track the implementation of the actions it agreed to take in response to IDEV's evaluation recommendations; and ii) holding Departments accountable for the timely implementation of these actions, including through the use of KPIs.

**Recommendation 2. Evidence on implementation** — Management should record more systematically within MARS the evidence on the implementation of the actions it has taken to address IDEV's recommendations.

**Recommendation 3. Absorptive capacity** — IDEV and Management should work together to improve the quality of evaluation recommendations and ensure the number of recommendations made by IDEV remains manageable - ideally not exceeding five per evaluation.

# ANNEXES

## Table A1.1 : Summary of the Roles and Responsibilities

| | |
|---|---|
| CHIS | ✓ Develops, maintains and manages the system i.e. the IT platform/software under the overall guidance of SNDR and IDEV.<br>✓ Provides technical support to users. |
| IDEV | ✓ Uploads recommendations in the system after finalization of evaluation report.<br>✓ Independently assesses the level of adoption of recommendations once a year.<br>✓ Reports to the Board's CODE annually on the level of adoption of recommendations. |
| SNVP | ✓ Ensures timely compliance with reporting requirements to the MARS.<br>✓ Has the authority to assist in addressing issues or conflicts related to the uploading and reporting. |
| SNDR | ✓ Coordinates the MR, MAR (action plans) and MARS including identifying the Lead Implementing Department (LID) and Other Implementing Departments (OIDs) for each recommendation.<br>✓ Together with LIDs and OIDs, prepares MRs and MARs including Action Completion Target Dates (ACTDs), baselines, targets and indicators (where applicable).<br>✓ Ensures quality and consistency of the MARs and the inputs in the MARS including action updates.<br>✓ Uploads the MARs (action plans) in the MARS after CODE discussion.<br>✓ Reviews twice a year the reporting by LIDs and OIDs and provides technical advice and quality control.<br>✓ Reports twice a year to CODE on the status of implementation of actions. |
| Lead Implementing Department | ✓ Together with SNDR and OIDs, prepares MRs and MARs including ACTDs, baselines, targets and indicators (where applicable)<br>✓ Updates the MARS on a quarterly basis:<br>   o Self-assesses and reports on the status of implementation of actions.<br>*Seeks input from OIDs for the above when applicable* |
| Other Implementing Department (OID) | ✓ Together with SNDR, LIDs and other OIDs, prepares MRs and MARs including ACTDs, baselines, targets and indicators (where applicable).<br>✓ Provides inputs to the LID on actions taken, end-of year input and self-assessment. |
| CODE | ✓ Provides overall guidance.<br>✓ Considers twice a year SNDR's report on the status of implementation of actions.<br>✓ Considers IDEV's annual report on the level of adoption of recommendations. |

## Figure A1.1 : MARS High Level Process

| | | | |
|---|---|---|---|
| **IDEV Coordinator** | Start → Finalizes Evaluation report including Recommendations | | Updates and adds Evaluation and Recommendations after CODE meeting |
| **CODE** | | Discusses Evaluation, Recommendations and MAR | Within 30 days after CODE meeting |
| **SNDR Coordinator** | | Prepares MR including Actions (MAR) | Updates (if required) and adds Actions after CODE meeting — Notifies LID Director — Reports twice a year to CODE on the status of implementation of actions |
| **LID Director** | | | Assigns LID Task Manager |
| **LID Task Manager** | | Quarterly → Updates the status of action implementation progress | |
| **IDEV Assessor** | | November 15th → Consolidates and adds IDEV assessment annually | |

## ANNEX 2 : List of the Evaluations Assessed in 2019

| | Title of the Evaluation | Evaluation type | Number of Recommendation | Presentation date |
|---|---|---|---|---|
| 1 | Botswana - Country Assistance Evaluation 2004-2013 | Country Strategy and Program Evaluation | 06 | 3/6/2014 |
| 2 | Burundi - Evaluation of African Development Bank Strategies and Programs 2004 - 2015 | Country Strategy and Program Evaluation | 05 | 10/10/2016 |
| 3 | Comprehensive Evaluation of the Development Results of the African Development Bank Group 2004-2013 | Corporate and Process Evaluation | 03 | 04/11/2016 |
| 4 | Democratic Republic of Congo Evaluation of the Bank Group Strategies and Programs 2004-2015 | Country Strategy and Program Evaluation | 03 | 7/4/2017 |
| 5 | Environmental Mainstreaming -Safeguards and Results - Bank Road projects and their enabling Policy Environment -1999-2010 | Thematic Evaluation | 04 | 12/2/2013 |
| 6 | Ethiopia - country strategy and program evaluation 2004-2013 summary evaluation report | Country Strategy and Program Evaluation | 05 | 11/2/2016 |
| 7 | Ethiopia: Impact Evaluation of the rural water supply and sanitation program | Impact Evaluation | 02 | 1/9/2016 |
| 8 | Evaluation of Bank group assistance to Small and Medium Enterprises (2006-2013) | Thematic Evaluation | 10 | 9/9/2015 |
| 9 | Evaluation of Procurement Policy- Summary Report | Corporate and Process Evaluation | 01 | 1/10/2014 |
| 10 | Evaluation of The Quality at Entry of Country Strategy and Regional Integration Strategy Papers- Summary Report | Corporate and Process Evaluation | 03 | 7/10/2014 |
| 11 | Evaluation of the Bank Group Country Strategy and Program in Chad (2002-2012) | Country Strategy and Program Evaluation | 01 | 11/11/2014 |
| 12 | Evaluation of the assistance of the African Development Bank to fragile states | Thematic Evaluation | 05 | 6/5/2012 |
| 13 | Fostering Regional Integration in Africa: An Evaluation of the Bank's Multinational Operations, 2000-2010 | Regional Integration Strategy Evaluation | 04 | 10/7/2012 |
| 14 | Fostering inclusive finance in Africa: an evaluation of the Bank's Microfinance Policy, Strategy and Operations, 2000-2012 | Sector Evaluation | 03 | 3/6/2014 |
| 15 | Ghana Evaluation of the Bank Group Strategy and Program (2002-2015) | Country Strategy and Program Evaluation | 06 | 7/3/2017 |
| 16 | Independent evaluation of Bank Group equity investments | Thematic Evaluation | 05 | 2/10/2015 |
| 17 | Independent Evaluation of Bank-s Eastern Africa Regional Integration Strategy Paper | Regional Integration Strategy Evaluation | 01 | 7/3/2017 |
| 18 | Independent Evaluation of Non-Sovereign Operations, 2006-2011 | Thematic Evaluation | 19 | 7/5/2013 |
| 19 | Independent Evaluation of The Bank's Additionality and Development Outcomes Assessment (ADOA) Framework For Private Sector Operations | Corporate and Process Evaluation | 04 | 6/5/2014 |
| 20 | Independent Evaluation of policy and strategy making and implementation | Corporate and Process Evaluation | 04 | 3/7/2015 |
| 21 | Independent evaluation of administrative budget management of the bank group | Corporate and Process Evaluation | 03 | 3/7/2015 |
| 22 | Independent evaluation of general capital increase-VI and African development fund 12 and 13 commitments | Corporate and Process Evaluation | 04 | 3/7/2015 |
| 23 | Institutional Support Projects in The Governance Sector (2002-2012) | Sector Evaluation | 06 | 6/12/2013 |
| 24 | Integrated Water Resources Management in Africa- Independent Evaluation of Bank's Assistance 2000-2010 | Thematic Evaluation | 06 | 9/7/2013 |
| 25 | Kenya- Country Strategy Evaluation | Country Strategy and Program Evaluation | 05 | 10/1/2014 |
| 26 | Madagascar– Country Strategy Evaluation 2002-2012 | Country Strategy and Program Evaluation | 05 | 1/10/2014 |

| | Title of the Evaluation | Evaluation type | Number of Recommendation | Presentation date |
|---|---|---|---|---|
| 27 | Morocco Bank Group Strategies and Programs Evaluation, 2004 – 2014 | Country Strategy and Program Evaluation | 04 | 2/9/2016 |
| 28 | Regional Integration challenges in Central Africa | Regional Integration Strategy Evaluation | 02 | 7/5/2018 |
| 29 | Review of the African Development Bank's Economic and Sector Work (2005-2010) | Corporate and Process Evaluation | 04 | 2/7/2013 |
| 30 | South Africa Country Strategy and Program Evaluation 2004-2015 | Country Strategy and Program Evaluation | 05 | 6/10/2016 |
| 31 | Tanzania: Impact Evaluation of the Rural Water Supply and Sanitation Program | Impact Evaluation | 02 | 6/10/2016 |
| 32 | The African Development Banks Human Resource Management Policy and Strategic Directions | Corporate and Process Evaluation | 01 | 7/4/2017 |
| 33 | Transport in Africa AFDB's Intervention and Results for The Last Decade. Summary Report | Sector Evaluation | 01 | 6/5/2014 |
| 34 | Trust Fund Management at the African Development Bank-An Independent Evaluation | Corporate and Process Evaluation | 08 | 1/4/2013 |
| 35 | Tunisia's Bank Group Country Strategy and Program Evaluation | Country Strategy and Program Evaluation | 05 | 10/10/2016 |
| 36 | Zambia - Evaluation of the Bank Group Strategy and Program (2002-2015) | Country Strategy and Program Evaluation | 08 | 4/11/2016 |

## ANNEX 3 : Action Plans Assessment Template

| MARS Independent Assessment of the Level of Adoption of IDEV's Recommendations | | | | | | | |
|---|---|---|---|---|---|---|---|
| Evaluation Title | | | | | | | |
| Date of CODE | | | | | | | |
| Assessment Date | | | | | | | |
| General Information | | | | | | | Guide for Completing Template |
| Recommendation Code | | | | | | | |
| Recommendation | Key indicators that capture the essence of the recommendation | Actions (Management Response) | Key indicators that capture the essence of the action | Target Completion Date | Completion Date or last update (if not completed) | Responsible Department | Please use the evaluation document and the management response to fill these boxes. Ensure that the key indicators expected from the implementation of the recommendation are well identified. |
| | | | | | | | |
| 1 | | Level of Alignment | | | | | |
| | | Low / Moderate / Substantial / High/ | | Explanations | | | Assessment Criteria |
| | To what extent are the committed actions in the Management Response aligned with the agreed recommendations of IDEV? | | | | | | **High (4):** Very solid alignment of all committed actions with the recommendation. **Substantial (3):** Strong alignment of most of the committed actions with minor shortcomings. **Moderate (2):** Limited alignment of most of the committed actions with the recommendation. **Low (1):** Very weak or nonexistent alignment of most of the committed actions with the recommendation. |
| 2 | | Level of Implementation | | | | | |
| | | Low / Moderate / Substantial / High/ NA | | Evidence provide by Management | | | Assessment Criteria |
| | To what extent have the committed actions been implemented as planned? | | | | | | **High (4):** If all actions have been completed as planned (on time). **Substantial (3):** If most of the actions have been completed no later than one (01) year after the target completion date. **Moderate (2):** If most of the actions have been completed with a delay greater than one (01) year but less than two (02) years Or are ongoing with a delay of less than one (01) year. **Low (1):** If most of the actions have been completed with a delay greater than or equal to two (02) years Or are ongoing with a delay greater than or equal to one (01) year Or Management did not provide enough |

| | | Low / Moderate / Substantial / High/ NA | | Explanation | | | Assessment Criteria |
|---|---|---|---|---|---|---|---|
| | | | | | | | |
| 3 | | Level of Adoption* =Level of Alignment + Level of Implementation | | | | | |
| | | Low / Moderate / Substantial / High/ NA | | Explanation | | | **Assessment Criteria** |
| | To what extent has the recommendation been adopted? | | | | | | **High (4):** if level of alignment AND level of implementation are rated High<br>**Substantial (3):** if level of alignment AND level of implementation are rated at least Substantial<br>**Moderate (2):** if level of alignment AND level of implementation are rated at least Moderate<br>**Low (1):** if level of alignment OR level of implementation is rated as Low |

*The level of adoption relies on both the level of alignment and the level of implementation. For a recommendation to be adopted, the two conditions must be simultaneously met. For example, a recommendation is considered weakly adopted when the action is highly aligned with the recommendation but has not been implemented, because the problem raised by the recommendation remains unresolved and no progress can be expected. Similarly, a recommendation will be considered weakly adopted if the action is weakly aligned with the recommendation, even if it is fully implemented, because the action is unsuitable, and the problem will remain. Therefore, the level of adoption is not just an average of the ratings of the level of alignment and the level of implementation.

**ANNEX 4. Classification of Recommendations**

The evaluations and recommendations have been classified according to a pre-determined framework to serve as a complementary analytical tool for the follow up of recommendations through MARS. The rationale for classifying evaluations and recommendations is to improve the learning value and utilization of data. By assigning each evaluation and each recommendation to a specific class, the analysis of the MARS becomes more meaningful and can help to understand which areas the Bank needs to put more effort into, and what types of evaluations or recommendations are more challenging to implement compared to those that are quick-fixes. It will also enhance the clarity of reporting.

The recommendations have been classified according to their subject matter (topic), as follows:

- ✓ **Strategic Framework:** Recommendations related to the strategies of the AfDB.
- ✓ **Organizational Structure of the AfDB:** Recommendations related to the functioning of the AfDB Group with the aim of improving processes, corporate systems, guidelines, protocols, tools, and incentives.
- ✓ **Quality at entry:** Recommendations aimed at improving the quality at entry of projects: design, preparation and additionality of AfDB activities.
- ✓ **Human Resources:** Recommendations relating to human resources management.
- ✓ **Results measurement:** Recommendations aimed at improving monitoring and evaluation of AfDB activities and results.
- ✓ **Knowledge generation and dissemination:** Recommendations related to the creation and management of knowledge.
- ✓ **Operational Policy Framework**: Recommendations related to the AfDB's operational Policy framework.
- ✓ **Client engagement:** Recommendations related to the relationship between the Bank and its clients (RMCs, public and private sectors).
- ✓ **Instruments:** Recommendations related to the nature, quality and use of the lending and non-lending instruments (loans, guarantees, grants, equity investments, lines of credit, PBOs, technical cooperation, etc.) of the AfDB.
- ✓ **Sustainability:** Recommendations related to sustainability of the Bank's interventions.
- ✓ **Environmental and social safeguards:** Recommendations related to environmental and social safeguards issues.
- ✓ **Civil society organizations:** Recommendations related to civil society engagement.
- ✓ **Gender:** Recommendations related to gender issues.

**ANNEX 5. List of Recommendations Proposed to be Retired that are Implemented, and the Target Completion Date is ore than Two Years Past**

| | Evaluation | Main Recommendation | Adoption |
|---|---|---|---|
| 1 | Environmental Mainstreaming - Safeguards and Results - Bank Road projects and their enabling Policy Environment (1999 - 2010) | Bank and social environmental support and supervision modalities | L |
| 2 | | The Bank should assume a stronger pro-active, catalytic and values-oriented responsibility for environmental and social mainstreaming in Africa, thus buttressing the bank's long-term strategy of sustainability and green growth; taking into account its financial and technical resources in the field of environment | L |
| 3 | | The Bank support and strengthen RMC execution and enforcement of environmental safeguards and management plans for roads during project implementation, particularly in environmentally sensitive and high-risk projects | H |
| 4 | Ethiopia - country strategy and program evaluation (2004 - 2013) | Adopt innovative approaches to improve the alignment with other development partners and respond to country's specific constraints | H |
| 5 | | Further expand the support to private sector development, including through stronger collaboration with other development partners. | M |
| 6 | | Improve the sustainability analysis in the strategy and operations | S |
| 7 | | Support the development of management capacity of the GOE and its implementing agencies for an effective delivery of the assistance | H |
| 8 | Evaluation of Bank group assistance to Small and Medium Enterprises (2006 - 2013) | Establish a Results Tracking and Reporting System | M |
| 9 | | Improve the collection of information on project achievements | M |
| 10 | | Adopt a definition of SME | M |
| 11 | | Develop a comprehensive conceptual framework for SME assistance | M |
| 12 | | Expand the utilization of local currency financing | M |
| 13 | | Improve coordination among services involved in SME Assistance. | M |
| 14 | | Improve the design of investment operations | S |
| 15 | | Strengthen eligibility conditions to ensure that SMEs are effectively reached | M |
| 16 | Evaluation of The Quality At Entry of Country Strategy and Regional Integration Strategy Papers | Improve Quality at Entry of RISPs targeting 100% S and ensure alignment with relevant CSPs | L |
| 17 | | Improve the quality at entry of CSPs targeting 100% S by addressing identified weaknesses | S |

| | |
|---|---|
| H | High |
| S | Substantial |
| M | Moderate |

| | Evaluation | Main Recommendation | Adoption |
|---|---|---|---|
| 18 | | Simplify processes while maintaining focus on key drivers for quality at entry, such as the country teams | S |
| 19 | Evaluation of the Bank Group Country Strategy and Program in Chad (2002 - 2012) | Invest in analytical and diagnostic studies so as to better grasp the issues as well as the options open to the country | H |
| 20 | | Practice and promote more concerted, harmonized and coordinated international efforts | L |
| 21 | Evaluation of the assistance of the African Development Bank to fragile states | Rationalize key organizational roles | M |
| 22 | | Reconsider the organizational home of OSFU | M |
| 23 | | Revise the resource allocation mechanism for fragile states | L |
| 24 | | Align mandates and resources of ONRI | L |
| 25 | Fostering Regional Integration in Africa: An Evaluation of the Bank's Multinational Operations (2000 - 2010) | Clarify the strategic focus of the Bank's approach to regional integration | L |
| 26 | | The Bank should clearly define the roles, responsibilities and division of labor among ONRI, regional departments and sector departments | M |
| 27 | | The Bank's tools and business model should be adapted to the specificities of multinational operations | L |
| 28 | Fostering inclusive finance in Africa: an evaluation of the Bank's Microfinance Policy, Strategy and Operations (2000 - 2012) | Set up an appropriate institutional arrangement with strong leadership | H |
| 29 | | Strengthen Bank's execution capacity | L |
| 30 | | Actively manage headroom: Increase the 15% limit and develop an effective exit strategy | M |
| 31 | Independent evaluation of Bank Group equity investments | Conduct a detailed cash flow projection exercise | L |
| 32 | | Further strengthen oversight | M |
| 33 | | Review the Bank's risk management methodology | M |
| 34 | | Strengthen development outcomes tracking system | M |
| 35 | | Determine why the Bank has fallen short of its target level of support for industry and services clients | M |
| 36 | | The Bank should utilize a wider range of instruments at the project-level including guarantees and trade finance | L |
| 37 | Independent Evaluation of Non-Sovereign Operations (2006 - 2011) | The Bank should Develop policy guidance for exit strategy and deal with underperforming funds, with policy directives for re-valuation and strengthen supervision procedures | L |
| 38 | | The Bank should be more selective in approving new equity investments | M |
| 39 | | Introduce an appropriate monitoring and evaluation system | L |
| 40 | | Address the apparent low level of client reporting on development results | L |
| 41 | | Adjust the private sector strategy | H |

| | Evaluation | Main Recommendation | Adoption |
|---|---|---|---|
| 42 | | Upgrade the Bank's Management Information System and implement a time-recording system | M |
| 43 | | Introduce a performance measurement system based on scorecards at the departmental and individual level | M |
| 44 | | Closely monitor its overall capital adequacy | H |
| 45 | | Take into account explicitly the projected impact from increased exposure to LICs, fragile states and other high risk-rated priority groups | M |
| 46 | | Consider delegating approval authority to below the Board | L |
| 47 | | Verify the findings of the DEG study, and FFMA reports of comparative loan pricing by the Bank and its peers, and investigate the reasons for apparent underpricing | L |
| 48 | Independent Evaluation of Non-Sovereign Operations (2006 - 2011) | Reinforce the systems and procedures for monitoring the value of loan collateral | L |
| 49 | | Place a critical mass of private sector staff in the field with a mandate to identify, originate and, where appropriate, approve new investment projects | L |
| 50 | | Review the Bank's approval procedures to identify where processes are not adding value. | L |
| 51 | | The Bank should review its strategy, policies and procedures for financial sector investments, particularly intermediation through lines of credit | L |
| 52 | | Harmonizing the ADOA system with the Bank's Ten-Year Strategy | L |
| 53 | | Improving the efficiency of the ADOA process | L |
| 54 | | Improving the transparency and justification for the ratings | L |
| 55 | Independent Evaluation of The Bank's Additionality and Development Outcomes Assessment (ADOA) Framework for Private Sector Operations | Learning lessons identified in this evaluation before adopting an ADOA-like system for public sector operations. | L |
| 56 | | Simplifying and clarifying the definitions and approaches used for the Additionality and Development Outcome components. | L |
| 57 | | Strengthening the learning loop so that the ADOA system has a greater impact on improving future operations | L |
| 58 | | Strengthening the monitoring and evaluation of Development Outcomes | L |
| 59 | | Clean-up of current regulatory documents based on new Framework | H |
| 60 | | Develop an explicit framework for all regulatory documents | L |
| 61 | Independent Evaluation of policy and strategy making and implementation | Hold Managers and staff accountable for effective implementation, monitoring, evaluation and results | H |
| 62 | | Streamline and improve process for formulating policies & strategies | L |
| 63 | | Strengthen Management of the suites of policies and strategies | L |

| | Evaluation | Main Recommendation | Adoption |
|---|---|---|---|
| 64 | Independent evaluation of administrative budget management of the Bank group | Simplify the planning and budgeting process and better articulate it with the strategic priorities of the Bank. | M |
| 65 | | Strengthen the monitoring and accountability framework. | L |
| 66 | Independent evaluation of General Capital Increase-VI and African Development Fund 12 and 13 commitments | Enhance monitoring and managerial accountability for effective performance and results in terms of continued implementation, not only one-off deliveries. | H |
| 67 | | Seek early Board ownership of commitments. | S |
| 68 | | Simplify the replenishment process. | M |
| 69 | Institutional Support Projects In The Governance Sector (2002 - 2012) | Address the gap in the strategic framework | L |
| 70 | | Develop technical guidance for staff and partners designing and managing projects to support institutional capacity | L |
| 71 | | Improve the Bank's procedures and practices and supporting the of country systems | H |
| 72 | | Reduce fragmentation | L |
| 73 | | Reduce inconsistency in the quality of design and of supervision | L |
| 74 | Integrated Water Resources Management in Africa- Independent Evaluation of Bank's Assistance (2000 - 2010) | Define the scope and level of interventions to guide implementation | L |
| 75 | | Improve internal capacities, IWRM knowledge sharing, and incentives | L |
| 76 | | Instruments, institutional structures and business processes should be adapted to policy goals | L |
| 77 | | The Bank should update the Policy Framework | L |
| 78 | Kenya- Country Strategy Evaluation | Improve sustainability of investments | L |
| 79 | | Increase selectivity in areas where the Bank has a comparative advantage | L |
| 80 | | Strengthen capacity building and analytic work | L |
| 81 | | Systematic integration of governance and gender in projects | S |
| 82 | Madagascar– Country Strategy Evaluation (2002 - 2012) | Better Inclusion of Support to the Private Sector in the Country Strategy Paper (CSP) | S |
| 83 | | Focus on Reducing Risk Related to the Country's Major Fragility Factors at the Strategic Level | M |
| 84 | | Reduce Fragmentation of Support to Good Governance | M |
| 85 | Morocco – Bank Group Strategies and Programs Evaluation (2004 - 2014) | Support the Government's efforts to transition towards a green economy and enhance the agricultural sector | S |
| 86 | Review of the African Development Bank's Economic and Sector Work (2005 - 2010) | Adequate administrative budget should be set aside to finance strategic ESW, with CSPs defining the envelope to be allocated to ESW | L |
| 87 | | ESW should be more carefully aligned with Bank strategy, and demand-driven ESW should be a priority | L |
| 88 | | The Bank needs to be realistic with respect to its actual capacity to deliver ESW | L |

| | Evaluation | Main Recommendation | Adoption |
|---|---|---|---|
| 89 | | The Bank needs to contextualize ESW and provide a clear definition | M |
| 90 | | Upscale Bank's role in policy dialogue and donors' coordination | L |
| 91 | | Adopt a holistic approach while applying the other nine recommendations | L |
| 92 | | Enhance sustainability | L |
| 93 | Transport in Africa AFDB's Intervention and Results for The Last Decade | Improve M&E system both inside and outside the Bank | L |
| 94 | | Improve supervision | L |
| 95 | | Mainstream policy dialogue | L |
| 96 | | Secure levelled-playing fields | M |
| 97 | | An e-learning course should be prepared for management of trust fund projects | L |
| 98 | | Develop an action plan to enhance the procurement capabilities and support to trust funds and related activities. | H |
| 99 | | Increase delegation of authority for project approval and replace the setting of arbitrary thresholds. | L |
| 100 | | Key Performance Indicators proposed in the Task Force report to the SMCC should be revised taking into consideration the analysis and indicators prepared in this Evaluation | S |
| 101 | Trust Fund Management at the African Development Bank- An Independent Evaluation | A costing analysis should be conducted to inform Management of the Bank's costs incurred in the management and execution of trust funds and approved projects | S |
| 102 | | Clarify the future role of trust funds in terms of scale and scope | L |
| 103 | | Clarify the implementation modality, management structure and resources required with a realistic timeline for disbursements. | L |
| 104 | | Ensure progress on delegation of authority in the approval of trust-funded projects and enhance annual reporting including on processing times under the various trust funds | L |
| 105 | | Revamp ORRU's website to make it user-friendly and informative | L |
| 106 | | Review implementation arrangements and resource requirements for the Migration and Development Fund and the Micro-Finance Facility. | L |
| 107 | | The status and role of ORRU should be finalized | L |

**ANNEX 6 : List of Recommendations Proposed to be Retired that have not been Implemented**

| Evaluation | Main Recommendation | Adoption | Reason of retiring |
|---|---|---|---|
| Evaluation of Bank Group assistance to Small and Medium Enterprises (2006 - 2013) | Simplify project approval procedures | L | The ongoing actions are beyond two years after the target completion date. In addition, the evidence provided is not consistent and the unit in charge of the implementation, the Delivery Accountability and Process Efficiency Committee (DAPEC), has completed its mission. |
| Independent Evaluation of Non-Sovereign Operations (2006 - 2011) | The Bank should create headroom for new investments | L | The ongoing actions are beyond two years after the target completion date. In addition, there are several new evaluations ongoing with respect to NSO operations which will highlight the recommendations that are currently most relevant. |
|  | The Bank should provide specialized officer training, place more reporting requirements on fund managers and recruit additional investment officers and advisory board members | L |  |
|  | Ensure that budgets for private sector operations are credible and sufficient | L |  |
| Integrated Water Resources Management in Africa- Independent Evaluation of Bank's Assistance (2000 - 2010) | Bank administered initiatives in the water sector should be strategically aligned under the CSP and under the One Bank approach | L | The ongoing actions are beyond two years after the target completion date. In addition, the evidence provided is not consistent. In addition, a new Water Sector evaluation has recently been presented to CODE, and the African Water Facility evaluation is ongoing. These evaluations will highlight new relevant recommendations. |
|  | Practice and promote more concerted, harmonized and coordinated international efforts | L |  |
|  | The CSP process should be strengthened and used to inform strategic decisions at the country level | L |  |
| Review of the African Development Bank's Economic and Sector Work (2005 - 2010) | The Bank should create a business process and increase corporate oversight to support quality assurance, dissemination and management of ESW as a current portfolio across the Bank | L | The ongoing actions are beyond two years after the target completion date. It relates to the dissemination of ESWs which has been partly taken into account by the new DBDM which gives an important place to ESW. |
| Transport in Africa AFDB's Intervention and Results for The Last Decade | Improve Quality at Entry | L | One out of seven actions is not yet implemented, it is also beyond the follow-up period (four years delay). This action (Increase cooperation to complement private sector operations) is at least partially taken into account by the new DBDM. Indeed, PICU's new mandate has been extended to NSO operations. TMs from both sides are supposed to support in delivering projects with PPP components. |

# ANNEX 7. The Management Action Record System among International Financial Institutions

| | AfDB | AsDB | EBRD | EIB | IDB | IFAD | IsDB | WBG |
|---|---|---|---|---|---|---|---|---|
| Presence of policy/ guidelines | Formal Policy | Working document | Formal Policy | Formal policy + Draft Formal policy | Formal Policy | Formal Policy | Working document | Working document |
| Entity responsible for the process | Management (SNDR) and IDEV jointly, with technical support from the IT department. | Management for monitoring implementation; IED for reporting to DEC/ Board. | Management / Country Strategy and Results Management unit | Operational Services for formulating and implementing action plans; EV for reporting. | Operational Services for action plan and monitoring implementation; OVE for assessing progress and reporting to the Board. | Management / Program Management Department Front Office. | Management for monitoring implementation; GOED for reporting to the Board. | Management for monitoring implementation; IEG for reporting to the Board. |
| Roles in the process | AfDB Management prepares MRs and MARs (action plans) including action completion target dates, baselines, targets and indicators, updates the MARS, self-assesses and reports twice a year to CODE on the status of implementation of actions.<br><br>IDEV independently assesses the level of adoption of recommendations and reports to CODE once a year. | AsDB Management follows the process, approves actions and ensures follow up is undertaken. IED validate, follow-up and report on progress | Management develops the action plan, tracks and periodically reports to the Board on implementation<br><br>EvD provides independent comments (including its own indication of status based on its perspective of whether the actions have addressed the recommendations) on the progress of each case, as well as the entire report to the Audit Committee of the Board. | Operational Services prepare action plans based on input from Management Committee and Board of Directors and ensure implementation. EV reports based on information provided by the Operational Services. The MC and Board receive the report for discussion / action. | Management ensures the preparation, validation and tracking of action plans by Operational Services. OVE assesses progress made by Management in implementing recommendations endorsed by the Board based on information contained in management action plans (assessing relevance and implementation status). | Management prepares the President's Report on the Implementation Status of Evaluation Recommendations and Management Actions (PRISMA) based on input by operational services. IOE comments on this | GOED collects information from Management to prepare the Annual Evaluation Report. | WBG Management develops action plan, which is commented by IEG before submission to CODE. |
| Involvement of the organization's board(s) in the process | Yes. Board through CODE provides overall guidance, receives the Management self-assessment twice a year and IDEV | DEC discusses the consolidated report on implementation. | The Audit Committee of the Board discusses, and reviews follow up actions by Management to address key issues | The Board receives a report on implementation twice a year for discussion. | The Board considers OVE's reports on implementation and Management's comments. | Evaluation Committee and Executive Board comment on PRISMA. | The Board receives an annual report. | Yes. CODE receives the action plans through CODE quarterly updates from IEG and the implementation updates as part of |

| | AfDB | AsDB | EBRD | EIB | IDB | IFAD | IsDB | WBG |
|---|---|---|---|---|---|---|---|---|
| | assessment annually. | | related to these findings. | | | | | IEG's annual flagship report. |
| Requirement for formulation of an action plan for follow-up actions | Yes. For all recommendations that are agreed and partially agreed, Management prepares an MAR including Action Completion Target Dates, baselines, targets and indicators. | Yes. For all accepted or partially accepted recommendations, Management formulates and uploads a time bound action plan into the MARS for the formulated action plans. | Yes. For each Recommendation (agreed or partially agreed) the Management prepares the Action Plans. The Action Plan parameters shall include the title, description, business unit, responsibility, due date and implementation status. | Yes. For all recommendations that are agreed and partially agreed. The action plans are discussed with EV. | Yes. For each Recommendation endorsed by the Board. The action plan outlines key steps to be taken to implement the corresponding recommendation. | No requirement. | No requirement. | Yes. Management Action Plans should include specific steps, measurable indicators, targets and timeline for reaching the objective(s) stated in the Management Response and should be in line with IEG's recommendations. |
| Role of evaluation unit in the development of action plans | Yes (informal feedback at the request of Management) | Yes (optional) | No | Yes | Yes (informal feedback) | No | No | Yes (feedback) |
| Requirement for monitoring the implementation of follow up actions | Yes. Management tracks the implementation of actions in response to agreed recommendations and reports to CODE, and IDEV assesses the level of adoption of recommendations and reports to CODE. | Yes. Two-stage assessment by implementing department and IED at due date of action. | Yes. Management is responsible for the tracking and the reporting (twice a year) to the Board. | Yes. EV solicits the Services to provide evidence on the implementation of recommendations quarterly and validates accordingly. | Yes. Two-stage assessment by Management and OVE as per guidelines. However, Management has not yet performed self-assessment of progress in implementation of follow up actions. | Yes. Management reports annually on the implementation status of recommendations made to IFAD (and not on those directed to the government) in the PRISMA. | Yes. Management is to track implementation and inform the Board about progress. | Yes. Two-stage assessment Management and IEG rate separately the overall progress made vis-à-vis the Action Plan. |
| Presence of tools or templates to facilitate the process | The MARS helps to track and report on implementation of actions; it has various reporting functionalities. IDEV also has templates to assess adoption of recommendations. | Use of the MAR system to track and report on implementation of actions | The internal OneSumX system which is maintained by the Operational Risk department | A new application based on Microsoft SharePoint is being rolled out | The ReTS guided the format so far and currently Excel based templates are used. | Excel-based templates are used | Excel-based templates are used. | The internal MAR database helps facilitate the process |

| | AfDB | AsDB | EBRD | EIB | IDB | IFAD | IsDB | WBG |
|---|---|---|---|---|---|---|---|---|
| Presence of an (IT) system to facilitate the process | MARS IT System | MARS system (Lotus Domino Platform). | The internal OneSumX | An application based on Microsoft SharePoint | The current IT system - ReTS is currently being updated/revised. | - | - | The internal MAR database helps facilitate the process. |
| Type of independent evaluation products tracked | - Country strategy and program evaluations (CSPEs)<br>- Corporate and process evaluations<br>- Thematic evaluations<br>- Sector evaluations<br>- Regional integration strategy evaluations<br>- Impact Evaluations. | - corporate and thematic evaluations<br>- cross-country sector evaluations<br>- country and sector assistance program evaluations | - Thematic evaluations<br>- Program evaluations<br>- Corporate evaluations<br>- Operation evaluations | Thematic evaluations | - country program evaluations<br>- sector and thematic evaluations<br>- corporate and project evaluations | - Corporate-level evaluations<br>- Country strategy and program evaluations<br>- Impact evaluations<br>- Annual Report on Results and Impact of IFAD Operations (2017)<br>- IOE's comments on Report on IFAD's Development Effectiveness<br>- Evaluation synthesis reports | - Post-evaluation of Project<br>- Thematic Evaluation<br>- Country Evaluation<br>- Sector evaluation | - Corporate evaluations<br>- Sector evaluations<br>- Thematic evaluations |
| Numbers evaluations, recommendations and actions | 6 recommendations per evaluation (2012-2018) | On average 5 recommendations per evaluation in 2018 | On average 5 recommendations per review (Annual Evaluation Review 2018) | 4 evaluations in 2017 and 2018 with an average of 5 recommendations per evaluation | 15 Evaluation for 56 recommendations, or 3.7 recommendations per evaluation (Annual report OVE, 2017) | 24 Evaluation, 95 recommendations and 212 actions: 3.95 recommendations and 2.23 actions per recommendation (PRISMA 2018) | On average two recommendations per Evaluation (Annual Evaluation Review 2018 2017) | A stock of 417 (144 + 130 + 99 + 44) recommendations rolling over four years to follow for IEG (RAP2017) |
| Requirement for reporting on the implementation of follow up actions (e.g. in Annual report) | Yes. Management is required to report twice a year to CODE on the implementation of actions, and annual updates on the progress in adopting the recommendations is part of the IDEV mandate. | Yes. IED validates the self-assessment on actions. IED reports on implementation progress in the Annual Evaluation Review (AER), which is a public document. | Management reports to the Board on the progress of implementation twice a year. EvD provides independent comments (including its own indication of status of whether the actions have addressed the recommendations) on the progress of each case, to the Audit Committee of the Board. | Yes. EV reports quarterly to the MC and twice per year to the BoD. | Yes. OVE's final assessment is reported to the Board and posted in the ReTS Portal, together with Management's comments on the same. OVE's Annual Report provides summary. | Yes. Annual President's Report on the Implementation Status of Evaluation Recommendations and Management Actions (PRISMA). | The Annual evaluation report (AER) summarizes the status of implementation of recommendations made in the year leading up to the report. | Yes. Annual updates on the progress of implementation become part of IEG's annual flagship report. |

| | AfDB | AsDB | EBRD | EIB | IDB | IFAD | IsDB | WBG |
|---|---|---|---|---|---|---|---|---|
| Timelines for following up on recommendations | The MAR (action plans) contains the target completion date for each action.<br><br>Implementation of the actions is tracked until two years after the target completion date | Action plans within 60 days of management response or DEC meeting; No overall time frame to implement, but each action needs to have targets and timelines (due date). | Management has 60 days to develop an action plan for each agreed recommendation. | 8 weeks are indicatively allocated to the formulation of an action plan. No overall time frame to implement but each action needs to have due dates | Action plans within 90 working days of the Board Committee's consideration of the evaluation. The action plan should be implemented within 4 years. | No overall time frame for implementation. | No overall time frame for implementation. Actions are only tracked for one year | Draft action plan within 90 working days of the CODE meeting. Implementation of the action plans are tracked (annually) for 4 years, after which they are retired. |
| Timelines for reporting on the take-up | Twice a year, status updates are provided by Management, and Annual assessment of the level of adoption by IDEV | Semi-annual updates on progress. Annual reporting (AER). | Annual reporting | Quarterly/semi-annual reports on the uptake of recommendations | Annual assessment of implementation status in OVE's Annual Report | PRISMA is published annually. | Annual reporting (AER). | Annual tracking. |

Source: Adapted from Final Report ECG Working Group on Evaluation Recommendations, Management Responses and Feedback Loops, December 2018.