

DEVELOPMENT EFFECTIVENESS COMMITTEE

Chair's Summary of the Committee Discussion on 23 September 2009

I. SPECIAL EVALUATION STUDY ON ADB TECHNICAL ASSISTANCE FOR JUSTICE REFORM IN DEVELOPING MEMBER COUNTRIES

1. DEC members agreed that a strategic, informed decision should be taken on whether to scale up ADB's assistance for justice reform. DEC pointed out that success in this area required commitment and political will. At the moment, however, such operations appeared to be supply-driven. The Independent Evaluation Department (IED) explained that in cases where technical assistance (TAs) had led to loans, justice reform may be considered demand-driven. To take an informed decision on whether to scale up support for justice reform, it might be better to evaluate the loans first. A decision to scale up operations in justice reform should be accompanied by allocation of adequate resources.

2. DEC inquired whether the Office of the General Counsel (OGC) had enough staff and other resources to continue conducting justice reform TAs. The General Counsel responded that OGC had to give priority to supporting the operations departments, but a number of lawyers found the TA work personally and professionally fulfilling, and they were willing to find time even after working hours to process and administer these TAs. However, ADB needs to provide additional staff resources to do such justice reform work more efficiently. DEC asked whether ADB could incorporate more legal components in its loans. The General Counsel explained that legal components are added to project and program loans, but implementation of laws continues to be a challenge.

3. Referring to the need for selectivity under Strategy 2020, DEC pointed out that if ADB did more work in justice reform, it may have to do less in some other area. On the other hand, if ADB were to discontinue its work in this area, would some other organization have a comparative advantage in justice reform? Managing Director General responded that ADB is keen to increase its operations in this area, even without loans. ADB must do it; the question is how to do it. No other organization has a better comparative advantage in this area.

4. DEC pointed out that good governance is often a problem in infrastructure projects, with failure of the judicial system a key issue. The link between justice reform and good governance may provide the necessary justification for strengthening operations in this area. Managing Director General noted that work in this sector also supports private sector operations, making it even more relevant to Strategy 2020.

5. DEC inquired how ADB measures the success of TA in justice reform. Apart from whether it leads to a loan, there should be criteria such as evaluating implementation of recommendations made under the TAs. A better design and monitoring framework is essential for properly assessing the results of these TAs. Managing Director General responded that a key measure of success of a TA is to have a buy-in by the government or at least an opportunity to put issues on the table for the government's reflection. In most countries, there are enough laws; the problem lies in their implementation. ADB should therefore shift its focus away from regulatory frameworks to judicial system implementation. As for the results framework, implementation of recommendations requires political will and it takes time and accurate records. In the meantime, ADB may have to settle for measuring outputs rather than outcomes.

Conclusions

6. DEC members underscored the importance of good governance as a driver of change, and justice reform as an integral part of the move towards good governance.
7. DEC noted that out of 44 TAs in justice reform, three had been upgraded to loans but none of the loans had yet been evaluated. While it may be premature to take a decision on whether to scale up justice reform, members underlined the importance of taking an early decision on whether ADB wants to work on justice reforms in a whole-hearted way.
8. DEC members acknowledged the difficulties in defining a results framework for evaluating the success of technical assistance in justice reform and noted that the design and monitoring framework for such TAs required improvement.
9. DEC emphasized the importance of ownership and partnership with its developing member countries in justice reforms.
10. DEC also underlined the scope for justice reforms through project loans by having appropriate covenants in loan agreements.

II. IMPACT EVALUATION STUDY OF RURAL WATER SUPPLY AND SANITATION IN PUNJAB, PAKISTAN

11. DEC highlighted the importance of combining water and sanitation components in Water supply projects to maximize the health related benefits. However, in this case, the impact on health was found "insignificant". IED emphasized that the incidence of diarrhea was low to start with, so there was little room for improvement. Besides the sanitation component was underfunded. Clearly the local communities also needed training in hygiene. They also appeared not to have been told that they did not need to boil the piped water since they continued doing it. Better extension work would improve the impact on health of these water and sanitation projects. The Management representative explained that health awareness was covered in these projects, but he noted the need to strengthen this area. He acknowledged the need to include more sanitation components in such water projects for increased health effectiveness.
12. DEC noted that sustainability was a key issue in these projects, and maintenance of the water supply systems was poor due to financial constraints and lack of training. DEC wondered as to what should be done with these non-functioning schemes. Management did not appear to be keen to follow up with the government of Punjab on sustainability issues. IED noted that ADB is continuing its dialogue with the government on sustainability. Management representatives pointed out that ADB is working with the government of Punjab on secondary cities, bringing in management incentives and accountability measures to address some of the sustainability issues. They also emphasized the need for constant follow up to ensure sustainability; it would be a mistake to simply organize and train the community, and then leave it to them. If the system breaks down, the district government must provide the necessary support, and it must monitor the quality of the water. With respect to chlorination, the community is given the kit but because they are poor they want to cut costs by using fewer tablets, and thereby end up reducing the effectiveness of the treatment. Constant monitoring is needed if such projects are to be successful.

13. One DEC member noticed that the project did not include provisions to ensure that the poorest of the poor households would benefit, as some of the rural water supply and sanitation projects required up-front payments. This was seen as a serious flaw in the project design.

14. Referring to data in Appendix 1, DEC inquired why the more recent project preparatory TA in Pakistan was more successful than the older one, even though the first one had involved a higher cost. IED explained that the second project followed on from the first one, and it had benefited from lessons learned from the first project. Management representatives added that policy was developed during the first project, as well as relevant procedures, which had contributed to the success of the second one.

Conclusions

15. DEC underscored the importance of health and water supply in ADB's operations.

16. DEC saw further scope to improve the health benefits from water supply schemes by including a larger component of extension work through training, education on hygiene, better utilization of chlorination plants, and integrating sanitation with water supply projects.

17. DEC reiterated the need for post-completion monitoring to ensure that ADB's projects are sustained even after the project is "officially" closed.

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