

## CAPE NEPAL EVALUATION QUESTIONS

Evaluation Criteria	Questions
<b>A. Overall Strategic and Institutional Positioning</b>	
<b>1. Relevance of ADB's Assistance Program and Strategy</b>	
Assess the positioning of ADB's assistance program and strategy using the following criteria:	
a. Relevance	(i) What were the priority development issues, trends, conditions, and needs in Nepal?
	(ii) What are the resulting external assistance requirements?
	(iii) Did ADB country strategies and programs address relevant and priority development needs and were they consistent with Government development strategies?
b. Selectivity	(i) Have ADB operations focused on relevant and priority sectors, geographic areas, and counterpart organizations, considering potential development impact, Government priorities and reform initiatives, and ADB corporate objectives?
	(ii) Do activities focus on ADB's core competencies, and how do they complement the activities of other development partners?
c. Sequencing and continuity	(i) Were ADB operations within and between sectors properly sequenced keeping in mind national development strategies, the Government's reform agenda and process, and capacity constraints?
	(ii) Was there sufficient continuity in ADB's country assistance to maximize development effectiveness of operations?
<b>2. Responsiveness and ADB's Performance</b>	
Assess ADB's performance and related expectations by addressing the following:	
a. Responsiveness	(i) Given expectations, has ADB responded adequately, flexibly, and in a timely way to changing and emerging country needs and Government demand for ADB assistance?
	(ii) How have contentious issues been handled and problems resolved?
	(iii) Did ADB properly assess and consider the implementation capacity of executing and implementing agencies during project processing and implementation?
b. Suitability of ADB policies, systems, and lending instruments	(i) Were ADB policies, systems, and lending instruments, and assistance modalities appropriate for country conditions?
	(ii) Is ADB responding to the requirements of the Paris Declaration on Aid Effectiveness? <sup>1</sup>
c. Capacity and core competencies	(i) Has the level of applied ADB's financial and human resources been adequate for the design and implementation of the Nepal country strategies and programs?
	(ii) In what area/s has ADB been perceived to have a comparative advantage vis-à-vis other development partners in Nepal?
	(iii) Was the management of procurement and consultant recruitment processes efficient?
	(iv) How do the Government, civil society, and private sector perceive ADB's role and performance and areas for service improvement?
<b>3. Results and Contributions to Development</b>	
Assess ADB's contributions to development results by addressing the following:	
a. Sector work and policy dialogue	(i) What was the quality of ADB's economic and sector work in Nepal and how were resulting findings fed into the design of country

<sup>1</sup> ADB. 2005. *Paris Declaration on Aid Effectiveness*. Manila.

	strategies and programs?
	(ii) How well was ADB equipped to handle policy dialogue on pertinent development issues?
	(iii) What have been the contributions of the Nepal Resident Mission to strategy and program design and implementation, and how well has it fulfilled its mandate?
b. Outputs and outcomes and their likely sustainability	(i) What have been the key outputs and outcomes of ADB's operations in Nepal and how do they compare to results envisaged under the country strategies?
	(ii) What is the likelihood that these outputs and outcomes can be sustained considering fiscal, political, social, and environmental conditions?
	(iii) Are there any common factors that have affected program performance in the country?
c. Focus	Have ADB interventions achieved a level of critical mass?
d. Value addition	(i) What was ADB's share of total Government development expenditure and overseas development assistance?
	(ii) Did ADB spearhead any new discussions on or approaches to development challenges in Nepal?
	(iii) Did ADB's assistance make any difference in Nepal's development?
	(iv) What has been ADB's role compared to that of other development partners?
e. Dissemination and replication	(i) To what extent and how has ADB's experience with successful projects in Nepal been disseminated and replicated?
	(ii) Have causes of poor performance been analyzed and the findings been taken on board?
<b>B. Development Effectiveness of ADB's Sector Assistance</b>	
Assess ADB's overall value added and development effectiveness at the sector level in Nepal using the following:	
a. Relevance	Have ADB's sector operations:
	(i) been based on ADB country and sector strategies;
	(ii) been aligned with Government sector priorities;
	(iii) supported essential sector policy and institutional reforms of the Government;
	(iv) adequately considered sector conditions in the city country and scope for sector development;
	(v) actively considered the potential for private sector involvement in the sector;
	(vi) been aligned with international best practices and standards; and
	(vii) been effectively coordinated with other key development partners?
b. Effectiveness	(i) Has ADB's sector assistance achieved meaningful outputs and outcomes?
	(ii) What has been the level of effectiveness and what were its determinants (including appropriateness of program design, quality of policy dialogue and advisory services, implementation assistance, etc.)?
c. Efficiency	Have ADB sector operations maximized the ratio of outputs and outcomes to resource levels, and have these sector operations been formulated and implemented in a cost-effective and efficient manner?
d. Sustainability	(i) What is the likelihood of sustaining achieved outputs and outcomes?
	(ii) Are conducive fiscal, political, and environmental conditions in place?
	(iii) To what extent has ADB assistance helped strengthen national

	institutional capacity for formulation of sector policies and the management of sector programs and investments?
e. Impact	How have ADB sector operations contributed to long-term sector development in Nepal (both in the past and likely impact)?
<b>C. Lessons, Good Practices, and Future Strategy</b>	
Based on the evaluation of the ADB's assistance program and strategy positioning, its contribution to development results in Nepal, and ADB's response and performance, and overall results and development effectiveness, assess the implications of ADB's future assistance strategy to Nepal using the following:	
a. Programming lessons learned and better practice	(i) What lessons and better practice can be identified from the past experience for the next CPS in terms of ADB's strategy?
	(ii) Should ADB maintain its strategic focus or widen assistance to other sectors, regions, and agencies?
	(iii) Should any areas of assistance be discontinued or phased out?
	(iv) In what areas could ADB provide more assistance and better practice?
	(v) Is the current trend toward program lending in support of improving public resource management to address the Millennium Development Goals and the private sector enabling environment?
	(vi) Is ADB equipped for this task?
b. Operations lessons learned and better practice	(i) How can the development effectiveness of ADB's assistance in Nepal be improved?
	(ii) What lessons can be derived for ADB's project preparation and implementation in Nepal?
	(iii) How can capacity building efforts be strengthened? What existing and new products and best practices can be used to address identified problems?
	(iv) How can ADB's public and private sector operations be enhanced?
c. Strengths, weaknesses, opportunities, and threats	A range of good practices will be identified based on the CAPE, summarized by strengths to build into designs, weaknesses to avoid, opportunities to capitalize upon, and threats to manage.
d. Future strategic consideration	How should future partnership between Nepal and ADB be promoted given that Nepal is in a socio-economy transition situation and eligible for ADF assistance?
<b>D. Overall Performance Rating</b>	
Combine assessments of development effectiveness for sector operations with assessments of ADB country positioning and strategy, the contributions of ADB programs to development results, and ADB performance.	
Sector ratings will be based on the standard five evaluation criteria of relevance, <sup>2</sup> effectiveness, <sup>3</sup> efficiency, <sup>4</sup> sustainability, <sup>5</sup> and sector impact <sup>6</sup> recommended by ADB's <i>Guidelines for the Preparation of</i>	

<sup>2</sup> Relevance refers to (i) whether or not the focus of ADB's sector strategy and sector program was consistent with the mission of ADB and with key evolving economic circumstances, priorities, and absorptive capacity of the DMC; (ii) the extent to which ADB sector support was aligned with sector policies and strategies; (iii) the degree to which ADB support was in line with ADB's comparative advantage; (iv) the extent to which ADB's sector interventions achieved a level of critical mass; and (v) the degree to which ADB sector assistance was harmonized with that of other development partners.

<sup>3</sup> Effectiveness refers to how successful the sector strategy and assistance program has been in contributing to the achievement of outputs and outcomes in support of the DMC's sector development goals and objectives. It also refers to the extent to which the results defined under the country assistance program were actually achieved. Effectiveness also refers to the achievement of outcome (the extent to which the outputs defined for the various types of lending and nonlending interventions supported under the CAP for the sector were actually achieved).

*Country Assistance Program Evaluation Reports.* Given the emphasis on both broad based and sector specific program lending in recent years, as well as a range of ongoing sector and area projects, no additional sector weights are assigned at this stage of the evaluation. Sector ratings will be derived from an analysis of available PPERs, PCRs, TCRs, rapid sector assessments and studies conducted under CAPE.

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<sup>4</sup> Efficiency compares the achievement of the sector assistance program goals and objectives with the use of ADB assistance resources. It is measured by the extent to which ADB's resources provided for each sector have been optimally utilized, in terms of (i) the net contribution of ADB assistance to broad-based socioeconomic progress through support for essential sector policy and institutional reforms; (ii) the direct, net economic benefits of ADB's sector assistance; (iii) the degree to which the benefits of ADB's sector assistance have reached the poor; and (iv) the degree of cost assistance in delivering the sector assistance program and coordinating sector operations with other development partners compared with the costs of providing such assistance to other DMCs.

<sup>5</sup> Sustainability focuses on the likelihood that the achievement of sector results and benefits will be sustained into the future. It is assessed as the extent to which sector interventions review have contributed to durable development gains that are likely to prove resilient to identified risks.

<sup>6</sup> Impact refers to ADB's plausible contribution to long-term changes in development conditions through its program in a particular sector. This includes how successful the sector program has been in contributing to the attainment of specified development goals. It is also evaluated with respect to the extent to which the sector program has contributed to building the sector's institutional capacity to manage for poverty reduction.