

**MANAGEMENT RESPONSE TO THE SPECIAL EVALUATION STUDY  
ON ADB'S APPROACHES TO PARTNERING AND HARMONIZATION:  
IN THE CONTEXT OF THE PARIS DECLARATION ON AID EFFECTIVENESS**

On 12 February 2008, the Officer-in-Charge, Operations Evaluation Department, received the following response from the Managing Director General on behalf of Management:

**I. General Comments**

1. We welcome OED's Special Evaluation Study (SES) on ADB's Approaches to Partnering and Harmonization: In the Context of the Paris Declaration on Aid Effectiveness.

2. The SES on ADB's Approaches to Partnering and Harmonization provides an opportunity for ADB to draw lessons from its experience and to adjust its practices to achieve higher development impact.

3. However, we take issue with the limited coverage of the SES. The SES fails to draw upon a large body of work undertaken by ADB in the partnering and harmonization area. Despite its envisaged scope of work, it did not cover a very major aspect of partnering and harmonization approach that ADB has engaged in with other development partners over the past decades.

4. On partnering, we have entered into various Memoranda of Understanding/Letters of Intent in the last several years with both multilateral and bilateral partners, including with the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), United Nations Development Programme (UNDP), Department for International Development, Organisation for Economic Co-operation and Development (OECD), German Development Cooperation, United Nations Office on Drugs and Crime, Joint United Nations Programme on HIV/AIDS, World Bank (WB), etc. As a result of these partnerships, numerous valuable joint initiatives have been undertaken, both at the regional level and at the country level. To name a few examples: the Millennium Development Goals study with UNESCAP and UNDP; the Asian Highways Network related activities with UNESCAP in the Greater Mekong Subregion, People's Republic of China, and in Central Asia; joint analytical work at the country, thematic and sector level with the WB, etc.

5. Regarding harmonization, we note that our engagement with the Multilateral Development Banks (MDBs) on Harmonization goes back to the early 1990s, in areas such as procurement, financial management, environment, gender and development, and many other sector and thematic areas. The range of these activities has expanded to 14 technical groups at present, and while some of these are relatively new, the partnering has been there for more than a decade and a half. The SES acknowledges ADB's involvement with the MDB technical working groups and the MDB Roundtables on Harmonization, but this is at best descriptive, and neither prescriptive nor analytical.

## II. Specific Recommendations

**Recommendation: Clarify what qualifies and what does not qualify for meeting the Paris Declaration commitments, particularly for program-based approaches and issue a guideline to staff in mid-2008.**

6. We agree with the need for clarifying the indicators of the Paris Declaration, including the definition of program based approaches. The implementation of the Paris Declaration is to be done at the country level. In this regard, the monitoring of the Paris Declaration is being conducted at the country level by OECD Development Assistance Committee (OECD-DAC) through surveys that are conducted every two years. The first Monitoring Survey was conducted in 2006 in collaboration with several donors, including ADB. The second Monitoring Survey is currently under way. The 2006 Survey included 6 partner countries from the Asia Pacific region, and this has expanded to 11 countries for the 2008 Survey. ADB is working closely with the partner countries through its resident missions in the implementation of the Survey.

7. Based on the experience from the 2006 Survey, the OECD-DAC in close consultation with all donors, including ADB and partner countries, has been actively working on clarifying the indicators of the Paris Declaration, including the definition of program-based approaches. In addition, ADB conducted its own Survey of 13 Asian Development Fund (ADF) countries in 2007, using the same methodology and definitions as the OECD-DAC, for the ADF X negotiations. We plan to expand this exercise to include a larger group of countries as we go forward during 2008. Through these exercises and surveys, both partner countries and ADB staff, particularly at the country level, are becoming increasingly familiar with the Paris indicators and the Paris commitments at a very practical level. We believe this is the best way to move forward.

**Recommendation: Strengthen ADB's knowledge management systems vis-à-vis ADB's activities in support of the Paris Declaration. Formulate the criteria and categories for good practice of partnering and harmonization in ADB operations and disseminate the information both within and outside ADB in 2008.**

8. We agree with this recommendation. Building upon what is being achieved at the country level, we are in the process of accumulating information on the successful implementation of the Paris Declaration, and areas where problems continue to exist, including ways in which these can be addressed. This information will be used when a sufficient body of evidence is available, to determine best practices, and will be shared with ADB staff, particularly those involved with the implementation of the specific Paris indicators.

**Recommendation: Include a progress report on the Paris Declaration commitments in ADB's new country partnership strategies and their mid-term reviews and completion reports.**

9. We agree with the SES observation that it is very important and relevant to have a monitoring mechanism in place to assess progress on the Paris Declaration commitments. We also agree that in the spirit of the first Paris principle of country ownership, the impetus for the implementation of the Paris

commitments has to be at the country level. However, we believe that we do not need to duplicate efforts through additional reporting on the Country Partnership Strategy.

10. As mentioned above, there is already a well established monitoring mechanism in place that is assessing progress on the Paris indicators at the country level. The OECD-DAC Monitoring Surveys assess progress not only from the perspective of the partner country commitments, but also includes an assessment of the donors, including ADB. This is an external assessment and is, therefore, both objective and valid.

11. In addition, ADB is conducting its own assessments of progress on the Paris indicators at the country level through its own surveys using the same methodology as the OECD-DAC.<sup>1</sup> ADB has recently published 15 Development Effectiveness Country Briefs for 13 countries and for the GMS and the Pacific region. These country briefs (which are posted on the ADB website) have narrative sections, which provide an assessment of the five Paris Principles (Country Ownership, Harmonization, Alignment, Results and Accountability). We plan to update these country briefs periodically, and these provide additional information at the country level on progress on the Paris commitments.

**Recommendation: Through training and other awareness creating activities, ensure that all concerned staff understand ADB's commitments under the Paris Declaration and their own responsibility.**

12. Activities in relation to training and awareness are already being undertaken at the country level. As the number of countries included in the Surveys increases and as ADB expands its own survey of Partner countries to monitor progress, the understanding of staff of the Paris commitments will be broadened and deepened. Given resource constraints, we do not consider additional training programs on this subject as being high priority.

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<sup>1</sup> We conducted a survey for the ADF X negotiations and the survey covered 13 ADF countries, and was published as a background report to the ADF X meeting in August 2007 titled "Implementation of the Paris Declaration in ADB's ADF Countries".