

**The Multilateral Development Bank  
Common Performance Assessment System  
(COMPAS)**

**2005 Report**

Multilateral Development Bank  
Working Group on  
Managing for Development Results





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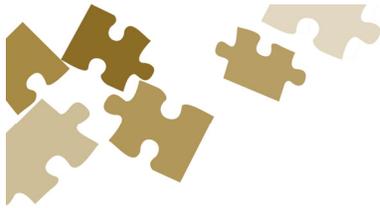
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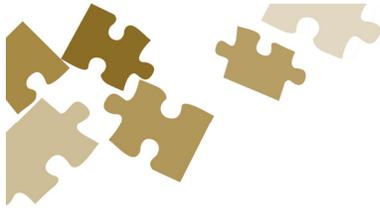


## Abbreviations

<b>AfDB</b>	African Development Bank
<b>AsDB</b>	Asian Development Bank
<b>AfDF</b>	African Development Fund
<b>COMPAS</b>	Common Performance Assessment System
<b>CSP</b>	country strategy and program
<b>EBRD</b>	European Bank for Reconstruction and Development
<b>ECG</b>	Evaluation Cooperation Group
<b>FY</b>	fiscal year
<b>GMR</b>	global monitoring report
<b>GPS</b>	good practice standards
<b>IADB</b>	Inter-American Development Bank
<b>JV</b>	Joint venture
<b>MDB</b>	multilateral development bank
<b>MDG</b>	Millennium Development Goal
<b>MfDR</b>	managing for development results
<b>OECD-DAC</b>	Organisation for Economic Co-operation and Development - Development Assistance Committee
<b>OED</b>	Operations Evaluation Department (AsDB)
<b>PAR</b>	project at-risk
<b>PCR</b>	project completion report
<b>QAE</b>	quality at entry
<b>SWAP</b>	sector-wide approaches
<b>WB</b>	World Bank

**Note:** In this report, \$ refers to United States dollars.





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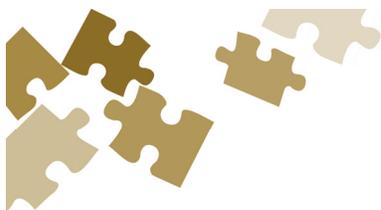
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## Preface

During the last few years we have witnessed an increased interest and demand for information about the performance of the multilateral development banks (MDBs). The question is how our institutions contribute to development effectiveness and results on the ground.

This publication is an attempt to help answer this fundamental question. It is a product of the MDB Working Group on Managing for Development Results. The Working Group was set up in 2003 in the process of preparing the Second International Roundtable on Results which took place in Marrakech in 2004. Since its establishment, the Working Group has been an important forum for exchanging experiences and for mutual learning.

This is a pilot exercise. While it has benefited from the active involvement of all five MDBs, it is very much a work in progress. We see that indicators are defined differently and information is not fully available in some areas. These problems will need to be solved in subsequent reports on the Common Performance Assessment System (COMPAS). In fact, we expect that it may take two to three years to develop a sound, credible, and useful system for monitoring and reporting results.

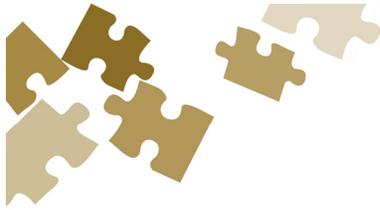
This report is based on information provided by the five MDBs and has this year been edited by the Asian Development Bank. I would like to extend thanks to my MDB colleagues for their active involvement in producing this first COMPAS report. We welcome comments and feedback from readers and look forward to improving COMPAS and future reports.

Bruce Purdue  
Chair, MDB Working Group on Managing for Development Results

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# Executive Summary

This report presents information collected through the multilateral development bank (MDB) Common Performance Assessment System (COMPAS) and provides a consolidated source of data on how MDBs contribute to development results. The main focus of COMPAS is to encourage mutual learning by tracking the progress of the MDBs as a group. This first COMPAS report provides the basis for a framework for collecting consistent and comparable information. It focuses on how the MDBs are implementing managing for development results (MfDR) and is based on seven categories of data:

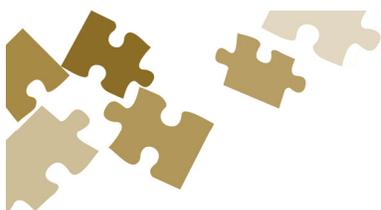
1. country-level capacity development
2. performance-based concessional financing
3. results-based country strategies
4. projects and programs
5. monitoring and evaluation
6. learning and incentives
7. interagency harmonization.

The data show that all MDBs have made good progress in implementing MfDR approaches. The awareness of results management practices is increasing, and frameworks, systems, and procedures are being put in place. The independent evaluation function of the MDBs is being strengthened. At present, however, the degree of institutionalization varies among MDBs. It necessarily takes time to design, approve, and implement new procedures, systems, and approaches. A common challenge is to go beyond systems and procedures and to actually use results information to inform learning and decision making.

This first COMPAS report also reveals that the information available from MDBs on MfDR initiatives is somewhat incomplete. Thus, while good progress can be recorded, there is some way to go to achieve a common interpretation of all COMPAS indicators. Despite advances in clarifying parameters and principles, MDBs still use varying definitions, systems, and data sources. This is a dilemma for staff and managers in the MDBs and for representatives of partner countries.

Another challenge is that MDBs have different fiscal years. Although fiscal years cannot be changed, reporting periods can be more clearly defined. Better alignment of definitions may facilitate improved reporting across institutions and over time.

Lessons observed through this first COMPAS exercise indicate that the system will need to be constantly revised and refined. While the MDB Working Group on MfDR will continue to take the lead, the future success of COMPAS will depend on its use by the MDBs in their quest for development effectiveness.



## Introduction and Background

Over the last decade, the international development community has increased its focus on development results. This was implicit in the Millennium Development Goals (MDGs) adopted by 189 countries in 2000. The MDGs set targets for eradicating poverty and other sources of human deprivation. The Monterrey Consensus<sup>1</sup> (2002) stressed the need to mobilize financial resources more efficiently and emphasized development effectiveness as a core operational principle. Subsequently, the Joint Marrakech Memorandum<sup>2</sup> signaled a renewed emphasis on aid effectiveness, particularly on the harmonization and alignment of programming, monitoring, and evaluation activities. More recently, the Paris Declaration on Aid Effectiveness<sup>3</sup> identified the five imperatives of country ownership, alignment, harmonization, managing for results, and mutual accountability as the core of the global development agenda. In the context of these efforts, the Managements and shareholders of multilateral development banks (MDBs) have increased their demand for information on the effective use of development resources and now require better information on results.

The emphasis on results is causing institutional changes in MDBs as they shift orientation toward sharing responsibilities with development partners and acquire a better understanding of the complexity of attaining successful outcomes in partner countries. At the same time, more attention is given to the way MDBs are managed and organized to contribute to country-level results. In short, all MDBs are striving to better implement managing for development results (MfDR).

MfDR is an adaptation of the terms “performance management,” “results-based management,” and “managing for outcomes” with an emphasis on managing *for* rather than *by* results and on *contributions* rather than *attributions* to outcomes. Thus, MfDR implies a results focus in all aspects of management, not just monitoring, and includes accountability and learning lessons. It is simultaneously a management approach and a set of tools for strategic planning, monitoring, evaluation, reporting, organizational improvement, and learning. Making the transformation to a true results orientation is challenging in most organizations and normally takes several years.

The expanding number of monitoring and reporting initiatives has created the need for a common source of information on MDB performance. In 2004, the MDB Working Group on MfDR produced a first joint progress report on MfDR initiatives, and the World Bank (WB) and the International Monetary Fund (IMF), with inputs from the other MDBs, produced the first

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<sup>1</sup> Agreed at the International Conference on Financing for Development in Monterrey, Mexico, 2002.

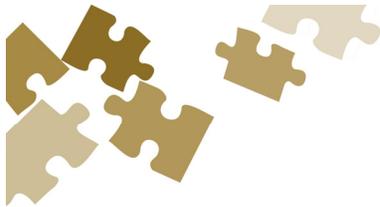
<sup>2</sup> Managing for Development Results: Second International Roundtable on Results, Marrakech, February 2004: Joint Marrakech Memorandum.

<sup>3</sup> *Paris Declaration on Aid Effectiveness: Ownership, Harmonization, Alignment, Results and Mutual Accountability*. 2 March 2005. High-Level Forum on Aid Effectiveness.



Global Monitoring Report (GMR) in 2004. The GMR compiles information and is now produced on an annual basis but does not, however, have a common results framework.<sup>4</sup>

This document, produced jointly by all five MDBs<sup>5</sup> under the auspices of the MDB Working Group on MfDR, is the pilot of what is intended to become the annual Common Performance Assessment System (COMPAS) report. It has been used for the first time as input to the 2006 GMR coordinated by WB and IMF as it provides a framework for gathering information and, potentially, for improving harmonization among institutions. With annual updates, it will also serve as a tool for monitoring progress over time.



## Purpose and Objectives

The purpose of COMPAS is to provide a common source of information on how the MDBs are contributing to development results and how they may improve their contributions over time. It pools key data to create a systematic framework for reporting consistent, comparable information. This report focuses on how the MDBs are implementing MfDR approaches rather than on development outcomes and results *per se*.

COMPAS is based on seven categories of data:

1. country-level capacity development
2. performance-based concessional financing
3. results-based country strategies
4. projects and programs
5. monitoring and evaluation
6. learning and incentives
7. interagency harmonization.

These seven categories relate to the three pillars into which the implementation of MfDR in the MDBs has been organized. Category 1 relates to pillar one, results orientation at the partner country level. Categories 2–6 relate to pillar two, results orientation at the institutional level of the MDBs, and category 7 relates to pillar three, results orientation at the global partnership level.

The COMPAS indicators presented in the matrix at the end of this document were selected on the basis of relevance, coverage, availability, and to the extent possible, comparability. The

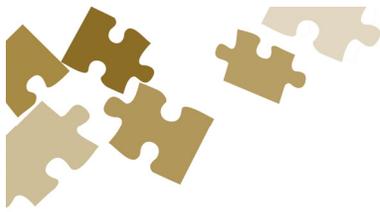
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<sup>4</sup> In parallel with these internal efforts, countries receiving aid and aid donors are expressing growing concern about the effectiveness, efficiency, and relevance of the MDBs. Recent external assessment efforts like the United Kingdom's Department for International Development's Multilateral Effectiveness Framework and the seven bilateral donors' Multilateral Organisations' Performance Assessment Network are expressions of donor countries' concerns. While there are certain benefits and merits in these external assessments and comparisons, there is also the risk that they are superficial, subjective, not sufficiently sensitive to specific contexts and responsibilities, and not harmonized among donors. This could lead to excess burdens on and inaccurate conclusions about the MDBs.

<sup>5</sup> The concept of COMPAS was endorsed by the heads of the MDBs at their meeting in Washington DC in September 2005.

information collected is based on existing reporting, monitoring, and evaluation sources. The main value of COMPAS is that it is a joint report on common progress in implementing MfDR approaches. The system does the following:

- pools information from MDBs to assess their preparedness and capacity to contribute to development results
- contributes to transparency, accountability, and learning
- monitors progress over time.

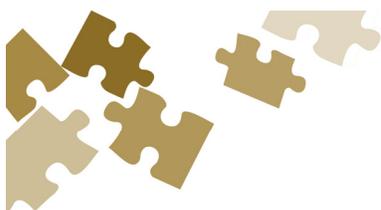


## Profile of Multilateral Development Banks

Five multilateral development banks—African Development Bank (AfDB), Asian Development Bank (AsDB), European Bank for Reconstruction and Development (EBRD), Inter-American Development Bank (IADB), and the World Bank (WB)—are covered in this report. Together, these banks commit and disburse about \$35 billion a year<sup>6</sup> and also provide substantial analytical services and technical assistance. While these institutions share many common objectives and characteristics, they have differences in ownership and voice, mandate, country coverage, and location of work, all of which influence how they assist partner countries to achieve development goals. Their core functions and collective dedication to development effectiveness, however, are similar enough for a common performance assessment system to be relevant.

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<sup>6</sup> The actual amount for 2005 was \$33 billion.



# Presentation of Data

## CATEGORY 1: COUNTRY-LEVEL CAPACITY DEVELOPMENT

### **Results management capacity assessment systematically done by all MDBs**

MDB support for public and private sector capacity development in partner countries is increasingly based on readiness and needs assessments. All MDBs have developed or are in the process of developing structured tools or approaches to help assess existing partner capacity and have at least tested them in selected pilot countries or used them in several partner countries. AfDB and AsDB have carried out “rapid assessments,” and IADB and WB have developed and applied “readiness assessments” and other diagnostic tools.

EBRD conducts annual transition and reform assessments in all its partner countries. The other MDBs carry out systematic capacity assessments in preparing results-based country strategies and programs. It will take some years before the majority of partner countries are covered by such assessments. These capacity assessments are integrated into strategies and programs and are not done as stand-alone analyses.

### **Increased efforts in sensitizing partner country officials**

MDBs have made progress in sensitizing partner country officials to MfDR through workshops, seminars, websites, and publications. A jointly developed MfDR sourcebook on principles and good practices is available online.<sup>7</sup> In 2005, IADB appeared to have the most systematic approach to sensitizing its partner countries reaching 20 out of 26 with formal dissemination efforts.

### **Technical assistance to enhance capacity provided for many partner countries**

MDBs provide technical assistance both as part of projects and as separate initiatives, loans, or grants to develop capacity in public sector management and in statistics. Efforts are ongoing in all MDBs to increase the quality and enhance the results of their technical assistance. The primary aim is to develop capacity, improve the efficiency and effectiveness of resource allocations, and increase the accountability of government agencies. In 2005, IADB approved a new initiative (plan for development effectiveness [PRODEV]) with the main objective of introducing training programs in MfDR in all of its borrowing countries, and AfDB provided technical support and capacity building for partners participating in the international comparison program. Under AfDB supervision, 48 resident missions started collecting monthly data between January and June 2005. Under the same program, AsDB is doing similar work with 23 of its regional member countries.

WB has developed an umbrella lending program, the Statistical Capacity-Building Program that promotes a sector-wide approach. Three projects have so far been approved, three more are

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<sup>7</sup> [www.mfdr.org/Sourcebook.html](http://www.mfdr.org/Sourcebook.html)

expected to become operational in fiscal year (FY) 2006, and five more projects are anticipated by the end of FY 2007. WB also administers the multi-donor Trust Fund for Statistical Capacity Building established in 2000. Working closely with the Partnership in Statistics for Development in the 21<sup>st</sup> Century, it supports the preparation and implementation of national strategies for developing statistics.

AsDB is in the process of implementing a new approach to provide systematic and long-term statistical capacity building in Asia and the Pacific. AsDB has a long history of capacity building to develop and modernize statistical systems and is now concentrating efforts on poorly performing partner countries.

## CATEGORY 2: PERFORMANCE-BASED CONCESSIONAL FINANCING

All MDBs (except EBRD which does not provide concessional financing) follow broadly similar performance-based allocation processes for eligible countries. A common framework of policy and institutional indicators is used to assess country performance. Country ratings on allocations are now more readily available, though in 2005 only AfDB and IADB made them public.

## CATEGORY 3: RESULTS-BASED COUNTRY STRATEGIES

The MDBs are in the process of improving their results orientation at the country and sector levels by designing country strategies and programs to focus on development outcomes in the planning, implementation, and reporting phases. Alignment with partner countries' own priorities, harmonization with development partners, capacity development, and results orientation are all important elements of these strategies and programs. The MDBs have issued guidelines for preparing results-based country strategies and programs that were widely used in 2005.

## CATEGORY 4: PROJECTS AND PROGRAMS

### Progress in adopting results frameworks for projects and programs

MfDR calls for a focus on outcomes and evaluability, speed of implementation and disbursement, quality of design, and supervision and management of project/program risks. The MDBs have made substantial progress in adopting results/logical frameworks for projects and programs. Even though the data refer to different years, they indicate systematic efforts to assess the quality of project documents. While project-level baseline data are available for all International Development Association projects of WB, AfDB, AsDB, and IADB do not have such data. Table 1 shows the percentage of projects with satisfactory results frameworks as defined by each MDB (subcategory 4a in the COMPAS matrix).

Table 1: Percentage of Projects with Satisfactory Results Frameworks<sup>8</sup>

AfDB	AsDB	EBRD	IADB	WB
80	83	100	70	70

<sup>8</sup> Based on internal assessment done by the MDBs with different definitions and data sources.

### Disbursement ratio

The MDBs have taken several steps to expedite and simplify disbursement procedures such as broadening the list of eligible expenditures and adopting partners' systems. The impact of these reforms is captured by disbursement ratios which represent actual disbursements as a percentage of the amount available for disbursement (subcategory 4b in the COMPAS matrix). As shown in Table 2, ratios vary between 13.2% and 67%.

Table 2: Actual Annual Disbursement as a Percentage of Amounts Available for Disbursement at the Beginning of the Fiscal Year

AfDB	AsDB	EBRD	IADB	WB
13.2	20.7	67	21.7	23

### Delays in project implementation

MDBs have also adopted various measures to simplify operational procedures in processing and implementing projects such as rapid approval for supplementary financing for existing projects and closer tracking of implementation. MDB data on delays highlight different aspects. AsDB and EBRD data on implementation show delays in 24.9% and 11% of their projects respectively. In IADB, 48% of projects executed in 2005 were delayed beyond their original date of final disbursement. WB has not reported on the same data but has rather highlighted the almost 40% improvement in FY 2005 in processing simple and repeat projects compared with a year earlier. For other WB projects, implementation time has decreased from 18 months to 16 months. AsDB has just adopted a new supplementary financing policy which may lead to quicker disbursements.

## CATEGORY 5: MONITORING AND EVALUATION

The MDBs have both self-assessment and independent monitoring and evaluation systems in place for projects, programs, and strategies to provide inputs for learning, improvements, and management decisions. Supervision of all projects and programs and self-assessment of completed projects are important elements of systems for monitoring and evaluation. In addition, arm's-length reviews of self-assessments are in place or are under development in all MDBs.

EBRD includes reviews at all stages for all projects. WB's quality review covers projects at entry and during supervision in addition to analytical and advisory services and is included in the annual review of portfolio performance (which also covers selected analytical and advisory services). IADB has established a system to review project quality at entry (QAE). AfDB launched a QAE assessment and a quality-of-supervision assessment in June 2005 signaling the importance attached to quality assurance and prepared frameworks to conduct workshops based on the experience of partner institutions in this area. AsDB is implementing a similar assessment system and also uses (i) project readiness filters to help ensure QAE, (ii) a computerized project performance reporting system for continuous monitoring during implementation, (iii) project completion reports by the government executing agency and responsible AsDB office to assess performance at completion, and (iv) independent performance evaluation reports several years after implementation has been completed.

In assessing the quality of projects at entry, EBRD, IADB, and WB already have substantial coverage with satisfactory ratings of about 85% for a sample of specific investment projects at IADB, 90% at WB, and 100% at EBRD. In addition, the MDBs have systems that track project risks and provide for proactive management which contributes to successful implementation. The

percentage of projects or activities at risk ranges from a low of 4% at EBRD to a high of 43% at AfDB. Managing such risks is usually done using the “proactivity index” which measures actions taken to resolve problems identified (see Table 3). The table show that all MDBs pay close attention to their at-risk projects (subcategory 4d in the COMPAS matrix).

Table 3: Proactivity Index

AfDB	AsDB	EBRD	IADB	WB
100 <sup>9</sup>	75.4	100	54 <sup>10</sup>	80

IADB and WB have self-assessments of country strategies and programs (completion reports) validated by independent evaluation departments; the other MDBs do not.

*Ex post* evaluations done by the independent evaluation departments in each of the MDBs cover projects, programs, strategies, and selected themes. All MDBs prepare monitoring and evaluation reports quarterly or annually that cover substantial proportions of their portfolios. The annual reviews of their evaluation work provide recommendations to their respective boards, but only AsDB and EBRD post their reviews on their websites. AfDB is in the process of implementing this practice. All the MDBs also track Management responses to recommendations made to their respective boards.

WB and IADB have the most extensive *ex post* evaluations of entire country programs with WB covering all its partner countries and IADB covering 24 out of 29. AsDB has completed evaluations of 11 of its 38 partner countries while AfDB has evaluated 10 of its 52 partner countries. (Country program evaluations are not appropriate for EBRD because of its specific mandate.) The percentage of MDB projects and programs with satisfactory outcome ratings (subcategory 5c in the COMPAS matrix) varies from 65% to 94% (see Table 4).

Table 4: Percentage of Projects and Programs with Satisfactory Outcomes

AfDB	AsDB	EBRD	IADB	WB
77	65 <sup>11</sup>	83	94 <sup>12</sup>	80

To improve their monitoring and evaluation systems, the MDBs accumulate best practices, test them, then make them available to staff. Staff members are also trained in MfDR and are supported by on-the-job help lines.

## CATEGORY 6: LEARNING AND INCENTIVES

For MfDR systems to be implemented more effectively in the MDBs, staff members need to be trained and guided in their use. An important aspect of monitoring and evaluation is providing staff with information on best practices and designing incentives for staff to use them.

<sup>9</sup> AfDB does not calculate a proactivity index; rather, in principle all projects at-risk are followed up.

<sup>10</sup> Although all IADB projects are actively managed, 54% of problem and alert status projects also benefited from specific targeted interventions tracked by the IADB proactivity index.

<sup>11</sup> This represents projects/programs rated independently by the Operations Evaluation Department as highly successful or successful (2000-2005) based on five evaluation criteria: relevance, efficacy, efficiency, sustainability, and institutional development and other impact. AsDB does not report performance based solely on outcome.

<sup>12</sup> The independent evaluation office is beginning to review project completion reports. Management’s self-assessments indicate that 94% of those projects are expected to meet their development objectives.



EBRD, IADB, and WB have extensive training programs including publications that approach universal staff coverage. AfDB has held seminars for staff since 2004, and a comprehensive training program is being implemented. In addition to providing basic MfDR training for new staff and managers and organizing workshops on various MfDR issues, AsDB has concentrated on training in the use of the project performance management system.

Various efforts are currently being made to increase learning and knowledge sharing on other aspects of MfDR. All the MDBs have universal staff coverage in using MfDR approaches for annual personal performance reviews although some systems are being reformulated to improve the focus on results.

## CATEGORY 7: INTERAGENCY HARMONIZATION

Interagency coordination and cooperation include (i) working with other donors in the MDB Working Group on MfDR and the Organisation for Economic Co-operation and Development's (OECD) Development Assistance Committee (DAC) Joint Venture on MfDR; (ii) harmonizing MfDR actions; (iii) developing procedures for joint country, sector, and regional programming; and (iv) (now) reporting for COMPAS. The MDBs have participated in OECD-DAC Joint Venture and MDB Working Group activities including workshops and updating the sourcebook on MfDR and making it available online. AfDB has taken major steps to align country support with other MDBs in Ethiopia, Malawi, Tanzania, and Uganda. All MDBs are making increased efforts to harmonize and align action plans and to establish various cooperative arrangements.

The Evaluation Cooperation Group (ECG), which comprises the heads of the evaluation departments of the MDBs, works toward harmonizing evaluation methodologies, performance indicators, and criteria to allow better comparability of results across institutions. ECG has two primary means of promoting harmonization: developing good practice standards (GPS) and then using them to assess and compare ECG members in benchmarking studies. Led by EBRD and the International Finance Corporation, ECG's second benchmarking exercise on evaluating private sector operations was completed in 2004, and work began in 2005 to refine related GPS. ECG has developed GPS for public sector lending. Led by WB in 2005, planning began on a benchmarking study for public sector lending. With AsDB taking a leading role, GPS for policy-based lending were endorsed by ECG in 2005 and made publicly available. ECG agreed in 2005 to develop GPS for country assistance program evaluations again with AsDB taking the lead.

# 2005 COMMON PERFORMANCE ASSESSMENT SYSTEM MATRIX OF CATEGORIES AND INDICATORS<sup>13</sup>

Results Indicator				
Category 1: Country-level Capacity Development				
Subcategory	Multilateral Development Bank (MDB)	Percentage of Countries with Needs Assessments Completed	Percentage of Country Strategies with Analysis of Country Capacity for Managing for Development Results (MfDR)	
<b>1a</b> <b>Public and Private Sector Capacity-building Needs Assessment</b>	AsDB	Results management capacity assessments done as part of preparing each results-based country strategy and program (RB-CSP)	Rapid capacity assessment pilot tested in 5 developing member countries (DMCs) feeding into a toolkit for capacity assessment	
	AfDB	<ul style="list-style-type: none"> <li>• 0% fully assessed as of 22 November</li> <li>• 100% of targeted countries participating in the international comparison program (ICP) of which 92% comply with survey requirements</li> </ul>	<ul style="list-style-type: none"> <li>• 96% of ICP-targeted countries with statistical assessments and nationwide price survey frameworks</li> <li>• 100 % of targeted countries participating in the program, of which 92% comply with survey requirements</li> </ul>	
	EBRD	<ul style="list-style-type: none"> <li>• 100% for annual transition report (measuring transition and reform progress in every country)</li> <li>• 100% for business environment and enterprise performance surveys</li> </ul>	100% of country strategies with analysis of capacity to implement transition reforms	
	IADB		100% of a sample of country strategies include an analysis of MfDR capacity	
	WB		100% of pilot results-based country assistance strategies (RB-CAS) include an analysis of MfDR. Revised country assistance strategy (CAS) guidance includes focus on monitoring and evaluation capacity.	

<sup>13</sup> An empty box indicates that no data are available.

Results Indicator				
Subcategory	MDB	Percentage of Target Audience in Developing Countries Covered		
<b>1b</b> <b>MfDR Sensitization and Knowledge Sharing</b>	AsDB	<ul style="list-style-type: none"> <li>7 MfDR technical assistance activities were approved in 2005: 6 were DMC specific and 1 was regional.</li> <li>Asian Development Bank Institute sponsored the Development Management for Senior Executives Workshop in which 10 DMCs participated.</li> </ul>		
	AfDB	14 out of 53 countries (24%) were covered under harmonization and MfDR in November 2005. An additional 29 countries will be covered in 2006.		
	EBRD			
	IADB	20 out of 26 borrowing member countries (BMCs) have attended formal programs to implement the external pillar of the medium-term action plan for development effectiveness (PRODEV) dissemination efforts		
	WB	Each of the 6 regional Vice Presidencies actively carrying on policy dialogue on Paris Declaration		
Subcategory	MDB	Percentage of Target Countries with Capacity Building Programs Under Way or Completed		
<b>1c</b> <b>MfDR Capacity-building Programs</b>	AsDB	Workshops and training programs have been completed in 5 of 38 DMCs (16% of all executing agencies participated in capacity development on results-focused project design and management)		
	AfDB	<ul style="list-style-type: none"> <li>13 capacity development workshops held that brought together more than 500 staff from 51 countries</li> <li>Workshop held in East Africa</li> </ul>		
	EBRD	<ul style="list-style-type: none"> <li>Legal transition program (100%)</li> <li>Nuclear safety account (100%)</li> </ul>		
	IADB	25 out of 26 BMCs have signed up to participate in PRODEV		
	WB	Results orientation built into capacity-building programs of the World Bank Institute and into regional programs		

Results Indicator				
Category 2: Performance-based Concessional Financing				
Subcategory	MDB	Percentage of Concessional Resources Allocated to Countries with High Scores according to Each MDB's Performance-based Allocation Formula		
<b>2a</b> Performance-based Resource Allocation for Low-income Countries	AsDB	All Asian Development Fund (ADF) allocations are made on the basis of performance except for the following set-asides agreed by the ADF donors: (i) post-conflict countries; (ii) countries on the watch list for graduation (Indonesia); and (iii) 5% of ADF IX funds allocated for subregional cooperation projects.		
	AfDB	<ul style="list-style-type: none"> <li>• 77.34% of African Development Fund (AfDF) resources allocated to high performers</li> <li>• 12 countries with low risk of debt (green light: 0% grant and 100% loan)</li> <li>• 5 countries with medium risk of debt distress (yellow light: 45% grant and 55% loan).</li> <li>• 24 countries with high-risk debt distress (red light: 100% grant and 0% loan)</li> </ul>		
	EBRD	No concessional lending		
	IADB	100% of countries eligible to receive concessional assistance receive it on the basis of portfolio performance and the country institutional and policy evaluation (CIPE) index		
	WB	All International Development Association allocations made on the basis of performance		
Category 3: Country Strategies				
Subcategory	MDB	Percentage of Borrowers with MDB Strategies Based on Results-based Guidelines	Percentage of Country Strategies Independently Reviewed at Completion	
<b>3a</b> Outcome Focus, Evaluability	AsDB	All country strategies and programs (CSPs) are required to be results-based. 5 RB-CSPs approved in 2005	Country assistance performance evaluations (CAPEs) carried out by the Operations Evaluation Department. In addition, CSP completion reports are now being introduced	

Results Indicator				
	AfDB	21 RB-CSPs approved by the Board; 17 in process.	<ul style="list-style-type: none"> <li>Evaluation of RB-CSPs will not begin until 3-5 years from now</li> <li>Report planned end-2006</li> </ul> Operations evaluation department (OPEV) carried out 10 country assistance evaluations (but not of RB-CSPs)	
	EBRD	<ul style="list-style-type: none"> <li>100% country coverage with Assessment of Transition Challenges Report (April 2005)</li> <li>Country strategies for 100% of countries</li> </ul>	100% of sector strategies	
	IADB	New results-oriented guidelines are under development.	The independent evaluation office (OVE) reviews 100% of country strategies at completion	
	WB	All CAS since Jan 2005 are results based.	100% of CAS completion reports independently validated by Operations Evaluations Department (OED)	

#### Category 4: Projects and Programs

Subcategory	MDB	Percentage with Satisfactory Results Frameworks as Defined by each MDB	Percentage with Satisfactory Baseline Data	Percentage Independently Reviewed at Completion
<b>4a</b> Outcome, Focus, Evaluability	AsDB	All projects and technical assistance activities now have design and monitoring frameworks. 83% of the 57 projects approved in 2005 have design and monitoring frameworks rated satisfactory or better according to assessment by OED.		35% of projects are evaluated through the project/program evaluation reports that are typically prepared 3 years after project completion.
	AfDB	80% with satisfactory results frameworks based on sample of projects assessed under quality at entry (QAE).		
	EBRD	100% with satisfactory results frameworks	100% with satisfactory baseline data (since April 1999)	60% of projects whose evaluability is independently reviewed
	IADB	70% of investment operations approved in 2004 were deemed to have satisfactory results frameworks (including baseline data) based on data from a QAE review. The quality of these frameworks is also independently reviewed by OVE through <i>ex ante</i> evaluability reviews every 3-4 years of all projects scheduled for approval that year.		OVE conducted independent evaluability reviews of 100% of projects approved in 2004 and 2005

Results Indicator				
	WB	All projects recently approved have results frameworks. The Quality Assurance Group (QAG) will review 70% of results frameworks for QAE and quality-of-supervision assessment		
<b>Subcategory</b>	<b>MDB</b>	<b>Actual Annual Disbursement as a Percentage of Amounts Available for Disbursement at the Beginning of the Fiscal Year (Disbursement Ratio)</b>	<b>Percentage of Projects with Delays in Closing Dates</b>	
<b>4b</b> <b>Project and Program Delivery (Speed of Disbursement and Implementation)</b>	AsDB	20.7% (disbursement ratio defined as ratio of total disbursements in a given year/period over the net loan amount available at the beginning of the year/period plus the loan amounts of newly approved loans that have become effective during the year/period)	24.9% of loan portfolio delayed <sup>14</sup>	
	AfDB	<ul style="list-style-type: none"> <li>Disbursement ratio defined as percentage of the total (AfDF + AfDB) amount disbursed during the year divided by the total commitments of active projects was at 13.2% in the 4<sup>th</sup> quarter of 2005 against the target of 15%.</li> <li>AfDF delays on loan effectiveness and AfDF-only disbursements defined as total disbursement over initial commitments are reported in the AfDF Action Plan</li> </ul>	Balanced scorecard reports on the percentage of projects still active beyond the planned implementation completion date (actual starting date + planned duration + 6 months) over the total active portfolio. This was 34.7% in the 3 <sup>rd</sup> quarter of 2005.	
	EBRD	67%	11% of projects in portfolio are delayed by more than 6 months	
	IADB	In 2005, annual disbursements amounted to 21.7% of the amount available for disbursement at the beginning of the year.	48% of projects in execution in 2005 were delayed beyond their original date of final disbursement.	
	WB	23%	Total number of overage projects for FY2005 was 76 <sup>15</sup>	
<b>Subcategory</b>	<b>MDB</b>	<b>Percentage with Quality at Entry Satisfactory or Better</b>	<b>Percentage with Quality of Supervision Assessment Satisfactory or Better</b>	
<b>4c</b> <b>Quality of Design</b>	AsDB	QAE panel established in February 2006	System being implemented	
	AfDB	70%	Data available only from end-2006	

<sup>14</sup> A project is considered delayed if the extension required is equal to or more than 20% of the original implementation period.

<sup>15</sup> Overage projects are Investment projects with an age of more than 8 years or development policy projects with an age greater than 4 years.

Results Indicator				
<b>Supervision</b>	EBRD	100% satisfactory	Satisfactory reviews 100% in place	
	IADB	85% of specific investment operations approved in 2004 were deemed to be satisfactory or better	System under development	
	WB	The latest assessment shows that quality has continued to improve and about 92% of the portfolio is rated satisfactory.	90% satisfactory (which is an improvement compared to the previous assessment)	
<b>Subcategory</b>	<b>MDB</b>	<b>Percentage of Projects at Risk, on Alert Status, or with Similar Classifications</b>	<b>Percentage of Projects at Risk that are Actively Managed (Proactivity Index)</b>	
<b>4d Management of Project Risk</b>	AsDB	12.2%	75.4% (52 loans) proactivity index	
	AfDB	43% in 2004. (The AfDB definition of a project at risk [PAR] is unique.)	Proactivity index not currently calculated; all PARs are followed up	
	EBRD	4% of operating assets are impaired (specific provisions)	100% of projects at risk are proactively managed	
	IADB	33% of projects in execution are either on alert status (27%) or are problem projects (6%)	Although all projects are actively managed, 54% of problem and alert status projects also benefited from specific targeted interventions tracked by the proactivity index.	
	WB	About 16 projects were at risk in FY2004 and FY2005, but commitments at risk declined from 16% in FY2004 to 13% in FY2005.	<ul style="list-style-type: none"> <li>The effectiveness of addressing identified risks is measured by the proactivity index.</li> <li>Overall for WB, this indicator is 80% for FY2005, which is above the current corporate target.</li> </ul>	
<b>Category 5: Monitoring and Evaluation</b>				
<b>Subcategory</b>	<b>MDB</b>	<b>Monitoring/Supervision Compliance Rates</b>		
<b>5a Monitoring Instruments, Procedures, Practices</b>	AsDB	The project and program performance report and technical assistance performance report are Management's tools for monitoring implementation progress and assessing the likelihood that public sector projects will deliver their intended outputs and achieve their desired outcomes. These reports are prepared for all active projects/programs and are updated quarterly.		
	AfDB	Target of 1.5 supervisions/active operation/year was met.		
	EBRD	100% compliance		

Results Indicator				
	IADB	<ul style="list-style-type: none"> <li>As of December 2005, up-to-date project performance monitoring reports were available for 97% of projects in the active portfolio.</li> <li>As of December 2005, 29% of project completion reports (PCRs) due in 2005 were approved on time.</li> </ul>		
	WB	<ul style="list-style-type: none"> <li>The implementation status results report is a new tool requiring a first full update 12 months after Board approval or earlier per regional or unit requirements.</li> <li>Compliance will be monitored.</li> </ul>		
<b>Subcategory</b>	<b>MDB</b>	<b>Arm's-Length Review of Reports</b>		
<b>5b</b> <b>Quality Assurance Systems</b>	AsDB	The OED annual review of portfolio performance provides the Board and Management with strategic views of the current status of active projects and medium-term trends across a variety of performance indicators.		
	AfDB	2005 QEA and 2004 annual portfolio performance review reports available.		
	EBRD	100%		
	IADB	The annual review of portfolio performance and results provides an overview of the management and performance of the active portfolio.		
	WB	The annual review of portfolio performance provides the Board and senior management with a strategic overview of lending and analytical and advisory assistance/activity.		
<b>Subcategory</b>	<b>MDB</b>	<b>Percentage of Active Borrowers that have a Country Program Evaluation</b>	<b>Percentage of Projects and Programs with Satisfactory Outcomes</b>	
<b>5c</b> <b>Independent Evaluation</b>	AsDB	11 CAPEs completed out of 38 DMCs	91 (65%) out of 140 projects/programs independently evaluated since 2000 have highly successful/successful ratings.	
	AfDB	10 country assistance evaluations (CAEs) completed out of 52 borrowing regional member countries	168 projects out of 219 (77%) evaluated with satisfactory ratings	
	EBRD	EBRD does not offer country programs	83% of projects (no country programs offered)	

Results Indicator				
	IADB	24 of the 26 (92%) active borrowers have had a country program evaluation	OVE is beginning to review PCRs. Management's PCR self-assessment indicates that 91% of those projects are expected to meet their development objectives.	
	WB	<ul style="list-style-type: none"> <li>More than 80 CAEs have been completed</li> <li>They are available from OED and also on the external web</li> </ul>	<ul style="list-style-type: none"> <li>The number of operations with satisfactory outcomes has steadily improved to a level of about 79% in FY 2005 based on a 3-year moving average</li> <li>If current trends continue, satisfactory development outcomes will increase to 80%+ by FY 2006.</li> </ul>	
<b>Subcategory</b>	<b>MDB</b>	<b>Percentage of Administrative Budget Allocated to Internal Monitoring and Evaluation (Quality Assurance, Evaluation, and Audit)</b>		
<b>5d</b> <b>Results Reporting System</b>	AsDB	3.54% of administrative budget was spent on OED, the Office of the Auditor General and the Risk Management Unit		
	AfDB	2.94% allocated to OPEV, audit, and quality assurance		
	EBRD	15–20% (credit, economic, evaluation, audit, compliance, legal)		
	IADB	3.5% of administrative budget is allocated to internal monitoring and evaluation activities (quality assurance, evaluation, and audit). Additionally, 15% of the administrative budget supports the work of 546 staff in 26 country offices responsible for project monitoring and supervision.		
	WB	<ul style="list-style-type: none"> <li>1.8% of FY2005 administrative budget for QAG, OED, Internal Auditing Department</li> <li>Other quality assurance activities are carried out in quality assurance units in the regions and by sector networks that are not captured in this number</li> <li>Considerable proportion of the budget is allocated for fiduciary and safeguard compliance</li> </ul>		

Results Indicator				
Category 6: Management Adoption of Learning and Incentives				
Subcategory	MDB	Management Uptake of Evaluation Recommendations as Reported to Executive Boards		
<b>6a</b> Capturing and Using Good Practices	AsDB	2005 Annual Evaluation Review and annual review of portfolio performance of OED reported to the Board including Management's response to the 2004 review		
	AfDB	There is periodic reporting to the Board on recommendations implemented.		
	EBRD	Annual evaluation overview report once a year		
	IADB	<ul style="list-style-type: none"> <li>As of September 2005, OVE had produced and forwarded to the Board of Executive Directors 51 studies that included a total of 288 recommendations for enhancing effectiveness.</li> <li>A review of Management's response to OVE recommendations shows general agreement with their thrust and indicates that disagreement was voiced on fewer than 10%.</li> </ul>		
	WB	Reports uptake of evaluation recommendations annually to the Board through OED's Annual Report on Operations Evaluation Exercises		
Subcategory	MDB	Percentage of Operational Staff Participating in MfDR Training		
<b>6b</b> Staff Training and Guidance	AsDB	<ul style="list-style-type: none"> <li>For project performance monitoring system training, 296 professional staff (PS), 17 directors, 7 country directors, 28 national officers (NO), 5 administrative staff (AS), 6 resident mission staff and 10 board members and advisors for a total of 369 operational staff</li> <li>For RB-CSP training, 2 country directors, 34 PS, 4 NO and 1 AS for a total of 41 operational staff</li> <li>A comprehensive MfDR learning and development program is being designed.</li> </ul>		

<b>Results Indicator</b>				
	AfDB	Training given to 100 staff, 4 workshops held in 2005 for RB-CSPs, and 3 RB-log frame workshops, 2 sensitization workshops, 1 East Africa workshop including field staff		
	EBRD	100% for credit, 50% for transition (started in 2004) with 100% target by end-2006		
	IADB	84% of operational staff has participated in MfDR-related training.		
	WB	All operational staff are participating in MfDR training relevant to their work		
<b>Subcategory</b>	<b>MDB</b>	<b>Percentage of Operational Staff Covered by Results-focused Incentive System</b>		
<b>6c Staff Incentives</b>	AsDB	As part of the new human development strategy, 100% of staff are required to have a results-oriented performance development plan.		
	AfDB	100% of staff use work program-objectives but understanding their definitions needs qualitative improvement.		
	EBRD	100%		
	IADB	100% of operational staff members are covered by the individual performance planning and review system		
	WB	100% of staff report on performance against specific results statements		
<b>Category 7: Interagency Harmonization</b>				
<b>Subcategory</b>	<b>MDB</b>	<b>MfDR Sourcebook Online and Updated Regularly</b>	<b>Participation in the Development Assistance Committee Joint Venture on MfDR</b>	
<b>7a Information Sharing</b>	AsDB	Yes and has initiated translation into Chinese	Yes, currently co-chair	
	AfDB	Sourcebook has been circulated and made available online.	Yes	
	EBRD		Periodically	
	IADB	Yes. Responsible for translating the sourcebook into Spanish and has actively participated in the most recent updating	Yes	

<b>Results Indicator</b>				
	WB	<ul style="list-style-type: none"> <li>• Has main responsibility for the sourcebook for the MDB joint venture (JV) on MfDR</li> <li>• The sourcebook, containing 20 cases, has been discussed at international workshops in Ottawa, Canada and Kampala, Uganda.</li> <li>• A series of electronic discussions will be launched involving government officials and central statistical organizations from all six regions.</li> </ul>	Yes	
<b>Subcategory</b>	<b>MDB</b>	<b>Number of MfDR Products and Processes for which Common Principles are Agreed</b>		
<b>7b Harmonization</b>	AsDB	Actively involved in 15 areas of MDB harmonization (such as operational policy roundtable, evaluation cooperation group, procurement, etc.)		
	AfDB	Effective participation in MDB Technical Working Group and in country-level donor groups		
	EBRD	Involved in MDB harmonization working groups		
	IADB	Actively involved in MDB Working Group on MfDR		
	WB	Actively involved in MDB Working Group on MfDR		
<b>Subcategory</b>	<b>MDB</b>	<b>Number of Joint MfDR Activities/Programs</b>	<b>Annual COMPAS Reporting</b>	
<b>7c Cooperative / Joint Ventures</b>	AsDB	<ul style="list-style-type: none"> <li>• Actively involved in Organisation for Economic Co-operation and Development – Development Assistance Committee (OECD-DAC) JV and MDB activities</li> <li>• RB-CSPs of Bangladesh and Cambodia developed in close consultation with development partners</li> <li>• Consultation visits to WB and IADB</li> </ul>	Yes	

Results Indicator				
	AfDB	Member of MDB JV on MfDR and Working Party on Development Effectiveness; produced 3 country procurement assessment reports (CPARs) and 1 country financial accountability assessment (CFAA) in 2004 for the Democratic Republic of Congo; and participated in 5 joint assistance strategies 1 of which has been approved by the Board (for Uganda); others are also under way.	Yes	
	EBRD	<ul style="list-style-type: none"> <li>• 10–20 projects</li> <li>• 5–10 sector programs</li> <li>• legal documentation</li> </ul>	Yes	
	IADB	Actively involved in cofinanced projects including sector-wide approaches (SWAPs) and other activities such as CPARs and CFAAs.	Yes	
	WB	<ul style="list-style-type: none"> <li>• Actively involved in OECD-DAC JV and MDB activities</li> <li>• Joint analytical work and harmonized lending (including development policy loans, SWAPs and jointly financed operations) for WB and International Development Association countries</li> </ul>	Yes	

## 2005 COMPAS Report -- Summary

This report, published by the Multilateral Development Bank Working Group on Managing for Development Results, presents information collected through the multilateral development bank (MDB) Common Performance Assessment System (COMPAS) and provides a consolidated source of data on how MDBs organize and prepare interventions to contribute to development results and how they improve their contributions over time. The main focus of COMPAS is on the progress of the MDBs as a group to encourage mutual learning. This first COMPAS report provides the initial basis for a systematic framework for collecting consistent and comparable information.

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