

Multilateral Development Banks' Common Performance Assessment System 2007 Report



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Common Performance Assessment System
2007 Report



African Development Bank

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African Development Bank



Asian Development Bank



European Bank
for Reconstruction
and Development



Inter-American
Development Bank



Islamic Development Bank



The World Bank

Multilateral Development Banks' Common Performance Assessment System 2007 Report

African Development Bank Group

Asian Development Bank

European Bank for Reconstruction and Development

Inter-American Development Bank Group

Islamic Development Bank Group

World Bank Group

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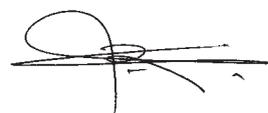
Over the past few years, managing for results has clearly moved to occupy center stage in the operations of multilateral development banks (MDBs). This has been a welcome development: First, for the billions of people worldwide who are still trapped in poverty, and for whom increased focus on results by MDBs holds the promise of a better future. Second, for the MDBs themselves, who find that focusing on delivering results improves their management capacity and strengthens their relevance in a rapidly globalizing world.

The Common Performance Assessment System (COMPAS) report, an annual publication, was launched in 2005. It aims to report on the individual and collective progress made by the five major MDBs — the African Development Bank, the Asian Development Bank, the Inter-American Development Bank, the European Bank for Reconstruction and Development, and the World Bank — in implementing their respective results agendas. The Islamic Development Bank, an observer in 2006, participated in the preparation of this 2007 report, bringing to six the number of

MDBs involved in the COMPAS. Unlike previous reports, this 2007 COMPAS also reports on the private sector activities of all participating MDBs.

Responsibility for the preparation of the report rotates among the MDBs. The Asian Development Bank coordinated the publication of the first COMPAS report in 2005; the Inter-American Development Bank, the preparation of the second report in 2006; and the African Development Bank, the preparation of this report.

On behalf of the MDBs participating in the COMPAS, the African Development Bank is pleased to present this 2007 COMPAS report and would like to thank the other MDBs for their continued support for the COMPAS framework.



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Abbreviations

AsDB	Asian Development Bank
AfDB	African Development Bank
AMR	Annual Monitoring Report (for environmental and social performance)
ARPP	Annual Report on Portfolio Performance
BEE	Business Enabling Environment
CAE	Country Assistance Evaluation
CAPE	Country Assistance Program Evaluation
CAS	Country Assistance Strategy
CASCR	CAS Completion Report
CFAA	Country Financial Accountability Assessment
CIS	Commonwealth of Independent States
COMPAS	Common Performance Assessment System
CPAR	Country Procurement Assessment Report
CPIA	Country Policy and Institutional Assessment
CPIP	Country Portfolio Improvement Program
CPPR	Country Portfolio Performance Review Report
CPR	Country Portfolio Review
CPS	Country Partnership Strategy
CSP	Country Strategy Paper
DIAS	Development Impact and Additionality Scoring
DMC	Developing Member Country
DOTS	Development Outcome Tracking System (IFC)
DPL	Development Policy Loan
DPO	Development Policy Operation
DSF	Debt Sustainability Framework
EBRD	European Bank for Reconstruction and Development
ECG	Evaluation Cooperation Group (of MDBs)
EDFI	European Development Finance Institutions
E(I)RR	Economic (Internal) Rate of Return
ERD	AsDB's Economic and Research Department
EROIC	Economic Return on Invested Capital
ESHS	Environmental, Social, Health and Safety
ESRR	Environmental and Social Risk Rating
EvD	EBRD's Evaluation Department
F(I)RR	Financial (Internal) Rate of Return (after tax)
FM	Financial Management
FSO	Fund for Special Operations
GAAP	Generally Accepted Accounting Practices
GACAP	Governance and Anticorruption Action Plan
GDP	Gross Domestic Product
GEF	Global Environment Facility
GMR	Global Monitoring Report
GPS	Good Practice Standards (for Private Sector Evaluation)
HLF	High-Level Forum
HoP	Heads of Procurement

IADB	Inter-American Development Bank
IASB	International Accounting Standards Board
IBRD	International Bank for Reconstruction and Development
ICD	Islamic Corporation for the Development of the Private Sector
ICP	International Comparison Program
ICR	Implementation Completion Report
ID	Islamic Dinar (the unit of account of the IsDB: equivalent to the SDR)
IDA	International Development Association
IEG	Independent Evaluation Group (World Bank Group)
IFC	International Finance Cooperation
IFF	Intermediate Financing Facility
IIC	Inter-American Investment Corporation
IMF	International Monetary Fund
INDES	IADB's Inter-American Institute for Social Development
IPPR	Individual Performance and Planning Review
IRR	Internal Rate of Return
IsDB	Islamic Development Bank. IsDB Group includes ICD.
ISO	International Organization for Standardization
ISR	Implementation Status and Results Reports
JV	Joint Venture
LOC	Line(s) of Credit
M&E	Monitoring and Evaluation
MDB	Multilateral Development Bank
MDGs	Millennium Development Goals
MDRI	Multilateral Debt Relief Initiative
MfDR	Managing for Development Results
MFI	Multilateral Financial Institutions
MIGA	Multilateral Investment Guarantee Agency
MSME	Micro, Small and Medium-Sized Enterprise
N.A	Not Applicable
NPV	Net Present Value
OCR	Ordinary Capital Resources
OECD/DAC	Organization for Economic Cooperation and Development/Development Assistance Committee
OED	AsDB's Operations Evaluation Department
OEO	IsDB's Operations Evaluation Department
OH& S	Occupational Health & Safety
OPCS	WB's Operations Policy and Country Services Department
OPE	Overall Performance Evaluation
OPER	Operation Performance Evaluation Review
OPEV	AfDB's Operations Evaluation Department
OPSM	Private Sector and Microfinance Department
OVE	IADB's Office of Evaluation and Oversight
PBA	Performance Based-Allocation System
PBL	Policy-Based Loan

PCR	Project Completion Report
PCRR	Project Completion Review Report
PEFA	Public Expenditure and Financial Accountability
PEMFA	Public Expenditure and Financial Accountability Assessment
PFM	Public Financial Management
PFM-PR	Public Financial Management Performance Report
PMU	Portfolio Management Unit
PPAR	Projects Performance Assessment Reports
PPER	Project Performance Evaluation
PPMR	Project Performance Monitoring Report
PPR	Project Performance Report
PRC	People's Republic of China
PRS	Poverty reduction strategy
PSCP	Private Sector Country Profile
PSOD	Private Sector Operations Department
PSR	Project Supervision Report
QAE	Quality-at-Entry
QAG	WB's Quality Assurance Group
QEA	Quality-at-Entry Assessment
QSA	Quality of Supervision Assessment
RB	Results Based
RBCAS	Results Based Country Assistance Strategy
RB-CSP	Results Based – Country Strategy and Program
RD	Regional Department
RM	Resident mission
RMC	Regional Member Country
ROIC	Return on Investment Capital
ROSC	Report on Standards and Codes
RSCG	AsDB's Capacity Development and Governance Division
SDP	Strategic Directions Paper
SES	Special Evaluation Study
SME	Small and medium-sized entity
SME/SMP	Small- and medium-sized entity/Small and Medium Practice
TA	Technical Assistance
TAPR	TA Performance Report
TC	Technical Cooperation
TCF	Technical Cooperation Fund
TRG	Technical Review Group
UA	Unit of Account (African Development Bank)
USD	United States Dollar
WACC	Weighted Average Cost of Capital
WB (G)	World Bank (Group). World Bank Group includes IFC.
WGPSE	Working Group on Private Sector Evaluation
XMR	Expanded Monitoring Report
XMRA	Expanded Monitoring Report Assessment
XSR	Expanded Supervision Report. Also used for XASR (Expanded Annual Supervision Report), XPSR (Expanded Project Supervision Report) and XARR (Extended Annual Review Report)

The 2007 COMPAS report shows that, since the publication of the 2006 report, MDBs have improved on their efforts to manage for development results, both collectively and individually. MDBs are making progress in assessing and strengthening the managing-for-development-results capacity of borrowing member countries; strengthening their focus on results in the design and implementation of projects and country strategies; and harmonizing their policies and procedures. This is the first time that the COMPAS report includes information on the private sector operations of MDBs. The report also shows that the efforts of MDBs to strengthen results orientation in their operations are also extending to their private sector activities.

This 2007 COMPAS report, like its predecessors, aims to provide information on the progress that six multilateral development banks (MDBs) — which collectively play a major role in the international development finance architecture — have made on a spectrum of key performance indicators. The indicators were selected by the MDBs based on relevance to their efforts to strengthen the results orientation of their respective operations. Although it is still too early to assess trends, this report attempts to identify the direction of movement since the publication of the 2006 report¹. Chapter I presents key findings on the performance of MDBs, based on analysis of data provided by the MDBs. Chapter II presents detailed data on the following eight categories of indicators, which constitute the core performance areas of the COMPAS.

1	Country Capacity to Manage for Development Results
2	Country Strategies
3	Allocation of Concessional Resources
4	Projects
5	Institutional Learning from Operational Experience
6	Results-Focused Human Resources
7	Harmonization among Development Agencies
8	Private Sector Operations

In keeping with the practice agreed among the MDBs since the launching of the report, this 2007 COMPAS report focuses on assessing the readiness of MDBs to adopt a managing-

for-results approach in their operational processes. This stems from the recognition that actual results on the ground are a joint product of many actors, including the countries themselves; development partners, including the MDBs; and many other factors. Based on another practice carried over from previous reports, this 2007 COMPAS report does not attempt to compare the performance of MDBs because differences such as mandate, governance structure, size, geographical and thematic responsibilities, and evaluation frameworks and systems make such a comparison difficult.

Notwithstanding the close resemblance to previous reports, this 2007 COMPAS report introduces the following changes: (i) slight modification of some of the indicators², (ii) inclusion of performance indicators for MDB private sector operations, (iii) participation of the Islamic Development Bank for the first time, (iv) the views of bilateral donors on the 2006 report — taken into account in the report³, and (v) greater involvement of MDB independent evaluation offices in the provision of the data used in the report — to enhance the objectivity and credibility of the report.

The MDB COMPAS working group believes that the above changes have been instrumental in making the COMPAS report more reflective of the breadth of MDB operations and more responsive to the expectations of its key stakeholders.

¹ Although the first COMPAS report was produced in 2005, the MDBs have agreed that the 2005 report was a pilot, and that the 2006 report should constitute the basis for tracking future trends in their performance.

² The MDBs agreed to modify some indicators during a COMPAS Task Force meeting, which took place at the African Development Bank in Tunis in July 2007.

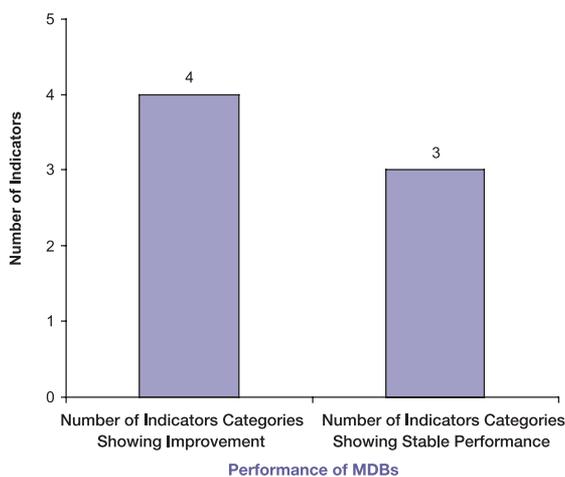
³ The MDBs solicited comments on the 2006 report from the Multilateral Organizations Performance Assessment Network (MOPAN). The MOPAN, a group of ten bilateral donors (Austria, Canada, Denmark, Finland, France, Netherlands, Norway, Sweden, Switzerland, and the United Kingdom), aims to promote a better understanding of multilateral organizations, their roles and performance, improve policy dialogue with multilateral organizations and to help improve their overall performance.

1. Performance of Multilateral Development Banks

Overall Performance of MDBs

Overall, since the publication of the 2006 report, MDBs participating in the COMPAS process have improved their efforts to better manage for results. All participating MDBs contributed to this improvement as each of them registered improved performance compared with their performance in the 2006 report. Chart 1 shows the distribution of the overall performance of MDBs across the seven categories of COMPAS indicators for the public sector operations of MDBs. As the chart shows, the overall performance of MDBs improved in four of the seven categories of indicators for public sector operations, but remained somewhat stable in three of them.

Chart 1: Overall Performance of MDBs with Respect to COMPAS Categories of Indicators for Public Sector Operations



The overall improvement in the performance of MDBs stemmed, in particular, from improved efforts in the following categories of indicators: (i) country capacity to manage for development results, (ii) country strategies, (iii) projects, and (iv) harmonization among development agencies. These improvements are further described below:

Country capacity to manage for development results. Since the 2006 report, the number of countries whose capacity has been assessed has increased, as has the number of countries in which MDBs provide assistance to strengthen domestic capacity to manage for development results.

Country strategies. The quality of country strategies prepared by MDBs also seems to have improved. For example, in MDBs that conduct independent ex-post evaluations of country strategies, this improvement is reflected in the higher proportion of evaluated country strategies that show “satisfactory” or better results, compared with results in the 2006 report. The improvements in this proportion range from 12% to 45%.

Projects. The efforts of MDBs to adopt a managing-for-development-results approach in all stages of their respective project management systems, from design to implementation, have improved since the 2006 report. This trend was supported by improvements in a number of areas. Thus, across MDBs, the proportion of projects whose design incorporates a strong results framework explicitly showing the baseline data, monitoring indicators, and clearly defined outcomes to be reached registered an average increase of 13%. As well, MDBs made progress in strengthening the focus of their supervision activities on results. In MDBs where the proportion of supervision reports that explicitly focus on expected outcomes was less than 100%, this proportion improved significantly, with increases ranging from 5% to 100%.

Despite the overall progress made in project cycle management, some areas continue to require more effort from the MDB community. Although these areas vary from one MDB to another, in general, they include reducing delays in project implementation, improving

proactivity in addressing project issues, and strengthening the use of outcome indicators in Project Completion Reports (PCRs).

Harmonization among development agencies.

The MDBs have also continued to work together towards sharing experiences, harmonizing policies and procedures, and collaborating on activities such as joint missions, joint analytical work, and joint country assessments. In this regard, the MDB community was a major stakeholder in the Third Round Table on Managing for Development Results, which took place on February 5-8, 2007, in Hanoi, Vietnam. The performance of the MDBs remained stable in some areas. These areas include the following:

Allocation of concessional resources. All MDBs, which provide part of their financial assistance on concessional terms, maintained the current practice of allocating these limited resources to their respective eligible member countries mainly on the basis of performance. Key performance elements taken into account include countries' policies and institutions as well as the performance of the MDB portfolio in the country. In addition to performance, some MDBs also take into account a needs factor in the allocation of concessional resources.

Institutional learning from operational experience. MDBs have put in place various mechanisms that they use to identify lessons from their own experiences and apply them in the design and implementation of new operations. No major changes were noted in these mechanisms over the past year.

Results-focused human resources management. MDBs have also put in place various mechanisms to train staff on results-based management approaches and to link staff performance and results to compensation and incentives. Overall, no major changes were

noted in these areas; however, MDBs have continued to strengthen their efforts to improve staff training and to increase the integration of MfDR-focused training into all aspects of project management and staff training.

Private Sector Operations

For the first time, the COMPAS report includes an analysis of MDB private sector operations. Consequently, rather than focusing on progress made since the last COMPAS, this section of the report focuses on efforts made by MDBs to adopt MfDR approaches in private sector operations and to harmonize systems and frameworks for monitoring and evaluating private sector operations. More work will likely be required to refine the indicators to ensure common interpretation and improved reporting by all MDBs.

Data provided by the MDBs shows that supporting private sector development is an important aspect of the operations of all MDBs participating in the COMPAS. The AsDB, AfDB, IADB, IsDB and the World Bank all have dedicated departments or separate entities leading their private sector development efforts. The core mandate of the EBRD is to promote private and entrepreneurial initiative in its countries of operations. Data also shows that the efforts of MDBs to strengthen their results orientation apply to their private sector operations as well. This focus on results applies to the key phases of private sector operations, from strategy design to project implementation, ex-post evaluation, and learning from operational experience.

There is growing recognition among all MDBs that private sector investment is essential for development. This is reflected in the proportion of country strategies that include an explicit strategy aimed at promoting private sector development — ranging from 75% to 100% across the reporting MDBs. The design of an

MDB strategy to support private sector development in a given country is informed by a variety of assessments, including evaluations carried out by MDBs independent evaluation offices and assessments of the business environment conducted by management. Private sector operations will always remain dependent on market conditions and on private sector demand for MDBs products and services.

With respect to project evaluation, MDBs have placed great emphasis on the definition of criteria and standards for rating, tracking, and reporting on results achieved in their private sector operations. These efforts are supported by the Evaluation Cooperation Group (ECG), a partnership of MDBs independent evaluation offices, established to promote good practices among MDBs in the area of evaluation. The ECG (at that time without IsDB) had originally agreed on "Good Practice Standards" (GPS) for private sector evaluation in 2001, covering such areas as the evaluation framework (for example, representative sampling and maturity of operations), and independence of the evaluation function. The ECG carried out a first external benchmarking in 2002, agreed on a second version of the GPS in 2003, carried out a second external benchmarking in 2004 (published in 2005), and agreed on a third version of the GPS in 2006. According to the second benchmarking, the compliance of MDBs with the GPS varied, ranging from 8% to 92%. Several MDBs conducted a self-assessment against the latest (2006) version of the GPS and reported on it in the 2007 COMPAS. The next external benchmarking against the GPS is scheduled for 2009. Most MDBs assess the level of success of their private sector operations in terms of development outcomes, financial performance, economic performance, environmental and social performance, and private sector development impact. However, variations were noted in the application of the GPS, or example, with respect to

the framework and standards applied, the representativeness of the samples, and the independence of the review function. An interim assessment of development results measurement systems, carried out in 2007 in all MDBs (except in the IsDB), showed that MDBs were making progress.

Performance of Individual MDBs

African Development Bank. Overall, the efforts of the AfDB to strengthen the results orientation of its operations resulted in improvements in such areas as assessment and strengthening of country capacity to manage for results, design and implementation of country strategies and projects, and harmonization with other development agencies. For example, the AfDB made efforts to better focus project supervision on results, with the introduction of a new supervision report format and the implementation of the first quality of supervision assessment. In addition, the share of country strategies independently evaluated ex-post that show "satisfactory" or better results increased 12%. The disbursement rate increased 20%. There is still room for improvement in other areas, such as increasing the use of outcome indicators in PCRs and improving the definition of baseline data, expected outcomes and monitoring indicators in country strategies and projects. Regarding the private sector, guidelines for assessing the success ratings of the operations and for tracking development results at approval, during supervision, and at evaluation are in the process of being implemented.

Asian Development Bank. Overall, the efforts of the AsDB to strengthen the results focus of its operations improved in a number of areas. These include assessment and strengthening of country capacity to manage for results, design and implementation of country partnership strategies (CPS), design and implementation of projects, and human resources management.

Thus, with respect to project management, for example, the share of projects where design focused on results by explicitly showing the baseline data, monitoring indicators and outcomes to be reached increased 15%. In addition, the proportion of projects independently evaluated ex-post that show a “satisfactory” or better rating with respect to achievement of development objectives increased 12%. However, there is room for improvement in other areas. For example, AsDB needs to improve leadership in MfDR efforts, internal capacity building in MfDR, particularly among senior staff, and the quality of MfDR techniques and instruments. The systematic tracking of results in private sector operations should also be strengthened.

European Bank for Reconstruction and Development. According to the EBRD’s mandate, fostering the transition to market economies and private sector development is its key operational objective. In 2007, the EBRD improved on management for development results, especially with respect to the quality of project design and implementation, policy dialogue with governments, and co-operation with other MDBs. All EBRD projects are scrutinized by its credit department to ensure sound banking principles and by the Office of the Chief Economist on their development/transition impact. Each project document specifies benchmarks for transition impact outcomes that are monitored over time during project implementation. Over the past year, the EBRD has further improved its transition impact benchmarks by tightening definitions, including more specific deadlines, and introducing a more needs-based approach to monitoring. EBRD policy requires annual or bi-annual reviews of existing projects through the preparation of monitoring reports, which assess developments in a project’s transition impact, environment and financial performance. Reporting on better-defined and broader out-

comes needs to be improved. In the areas of project implementation, the disbursement ratio increased from 55% in 2006 to an estimated 60% in 2007. The quality of the portfolio in terms of expected transition impact has also improved over the past year, with the proportion of projects rated above the key hurdle rate increasing to 57.5 % at end-2007, up from 55.2 % at end-2006. This score is at the higher end of the target range of 50 to 60% set out in the operational scorecard in 2007. Details on development results are publicly available in the Annual Report and from the publications of the independent Evaluation Department.

Inter-American Development Bank. The IADB improved its overall performance in managing for development results in areas such as assessment and strengthening of country capacity to manage for development results, project design and implementation, and harmonization with other development partners. The number of countries whose capacity was assessed and strengthened increased 13%. In addition, a positive trend was noted, as reflected in the 6 % reduction in the proportion of projects with unsatisfactory implementation progress or development objectives not likely to be achieved. However, further improvements seem to be needed. In the context of the Bank’s recent realignment, the future modality of quality-at-entry exercises will be determined in 2008 and is likely to focus on project design evaluability. Further improvement is also needed to ensure the timely implementation of PCRs. With respect to private sector operations, systematic tracking of results needs to be strengthened.

Islamic Development Bank. This is the first time the IsDB has participated in the COMPAS. The IsDB is making efforts to adopt a results-focused approach. For example, it has introduced the use of a results-based logical framework, which is now mandatory in all projects. Project

supervision is still focused on implementation progress, but initiatives are being considered to strengthen the process and direct it towards expected outcomes. These initiatives include enhancing the Bank's field presence, increasing supervision budgets, and designing a supervision report format that includes a focus on results. The IsDB has taken measures to follow up on the recommendations of its Operations Evaluation Office as well as to identify and utilize good practices arising from implementation experience. Joint work with other MDBs currently focuses on co-financing and joint appraisal of projects. Areas where there appears to be room for improvement, include training staff, developing a framework for introducing the country strategy tool, assessing the quality of PCRs, and reviewing project design quality on an arms length basis.

The World Bank Group. Overall, since the publication of the 2006 report the World Bank has improved the results focus of its operations in areas such as assessing and strengthening country capacity to manage for development results, designing and implementing country strategies and projects, and harmonizing with other development partners. For instance, more projects are designed with a strong results focus and the proportion of projects with explicit baseline data, monitoring indicators, and clearly defined outcomes has increased 27%. In addition, the share of projects that were independently evaluated ex-post and received a "satisfactory" or better rating increased 41%. Areas where further improvements seem necessary include reducing the share of projects rated unsatisfactory with respect to implementation progress and/or development objectives.

The World Bank Group's International Finance Corporation has also taken major steps to better track, report, and understand its development results. IFC established the Development Outcome Tracking System (DOTS) in 2005 to track the development results of all its active

operations continuously throughout their project lives. This systematic tracking allows IFC to monitor projects, learn from what does and does not work, and improve performance. DOTS builds on IFC's long-standing evaluation framework, which has been widely recognized as good practice for evaluating private sector investments. With its 2007 Annual Report IFC became the first MDB that reports on the current development results of its entire portfolio. IFC is also the first MDB to have sought external assurance for the report's development results. IFC has been assessing additionality systematically at approval and at evaluation. This year, IFC introduced a new analytic framework to guide staff to better assess and communicate IFC's additionality. Going forward, IFC will work to enhance the regular monitoring of additionality.

The Way Forward

The MDBs are currently considering a number of actions that will further strengthen the COMPAS as a framework for providing information on their performance in managing for development results. These include the following:

Role of independent evaluation offices.

To enhance the credibility of the COMPAS, the MDBs have involved their respective independent evaluation offices in the COMPAS process and plan on deepening this involvement. These offices will take on a greater role in the provision of MDB data.

Private sector operations of MDBs. As indicated above, the MDBs have agreed to include private sector operations in the COMPAS, starting with a limited set of indicators in the 2007 COMPAS report. A more complete set of indicators for private sector operations will be considered for inclusion in the 2008 report. These include indicators for the portfolio performance of investment operations and technical assistance for private sector development.

2. MATRIX OF INDICATORS

CATEGORY 1 Country Capacity to MfDR

Category 1: Country Capacity to MfDR			
Subcategory 1a Assessing country capacity to MfDRs ⁴	MDB	Number and percentage (%) of countries whose capacity to MfDR has been assessed in the previous 2 years ⁵ .	Brief description of the tools used to assess capacity to MfDR ⁶ .
	AsDB	<p>For the previous 2 years, 8 Country Partnership Strategies (CPSs) were approved. The breakdown of the CPS approvals are as follow:</p> <p>(i) 2006 – 5 (ii) 2007 – 3</p> <p>100% of CPS included MfDR capacity assessments at the national and/or sectoral level.</p>	<p>The revised CPS guidelines, including adoption of MfDR were issued in February 2007. All CPSs are results-based.</p> <p>Aside from the CPS guidelines, the 2006 toolkit "Capacity for Results Management – A Guide for Conducting a Rapid Assessment of the Capacity of Developing Member Countries to Manage for Results" is being used. It describes an approach for rapid assessment of a country's capacity for results management and constructed on 5 building blocks: (i) commitment, norms and values for results management; (ii) clarity of expected results, i.e. setting objectives; (iii) making results happen by linking objectives and planning; (iv) determining contributions to results through monitoring and evaluation; and (v) making results matter by providing feedback to decision making.</p> <p>The "Sector Road Map/Sector Assessment" is another tool used during CPS preparation to assess aspects including institutional aspects. It is based on detailed and systematic analyses of a sector, identification of key binding constraints to performance and development opportunities in the sector, including detailed assessment of the government's capacity to manage for results.</p> <p>One regional department (South Asia Regional Department) has started using its "Readiness Assessment Tool.</p>
	AfDB	51 (96%)	As part of the International Comparison Program for Africa, which they are implementing, the AfDB has carried out an assessment of 51 regional member countries in the area of statistical capacity development.

⁴ Country capacity to MfDR is related to at least 5 separate but closely linked functions: Leadership, mutual accountability, monitoring and evaluation, partnerships, statistics, and learning. Some MDBs assess and help strengthen country capacity to MfDR during country strategy formulation and/or preparation of lending operations. Others have created a separate umbrella framework in this regard.

⁵ If possible, please indicate at what level has capacity to MfDR been assessed, i.e., at the national level, subnational level, and sectoral or ministry level.

⁶ Please describe these tools for each level at which capacity has been assessed (as indicated in footnote 2).

2. MATRIX OF INDICATORS

CATEGORY 1

Country Capacity to MfDR

Category 1: Country Capacity to MfDR			
Subcategory 1a Assessing country capacity to MfDRs ⁴	MDB	Number and percentage (%) of countries whose capacity to MfDR has been assessed in the previous 2 years ⁵ .	Brief description of the tools used to assess capacity to MfDR ⁶ .
	EBRD	n.a.	n.a.
	IADB	In 2007 the MfDR capacity of 21 out of 26 countries (81%) has been assessed.	The "PRODEV Evaluation Tool" focuses on five components of countries' capacity to MfDR: planning; budgeting; public finance management; programs and projects; and M&E. In addition, the new Country Strategy guidelines include an assessment of country capacity, and a results framework that guides the dialogue with the country on the Bank's assistance in the area of MfDR.
	IsDB	No full-fledged assessment of country capacity was undertaken.	Capacity (for specific aspects) is assessed only at a sector level whenever a T.A. is requested by a country for that sector.
	WB	Sixty two IDA-eligible countries that are implementing a poverty reduction strategy, an interim poverty reduction strategy, or a transitional result matrix since at least March 2006, have signed the Paris Declaration on Aid Effectiveness. The World Bank's 2007 draft report Results-Based National Development Strategies, Assessment and Challenges Ahead, provides a qualitative review of the results orientation of each of these countries based on available documentary evidence. Of 62 countries covered in the draft review paper: (i) 8 countries or 13% have an operational development strategy, up from 8 % of the 59 countries cover in the 2005 report. The percentage of countries, which have taken action toward an operational development strategy, increased from 56% in 2005 to 67% in 2007; (ii) the percentage of countries that have a largely developed results-oriented framework has been smaller and rose from 3% in 2005 to 5% in 2007-more than half have taken action toward a results-oriented framework. Three criteria are used to assess whether a country has an operational development strategy: (i) unified strategic framework; (ii) prioritization; and (iii) strategic link to the budget. Three criteria are also used to assess whether a country has developed a results-oriented framework: (i) quality of development information; (ii) access to information; and (iii) country-level monitoring and evaluation. The LEADS ⁷ method which consists of assigning scores to the actions a country takes is used.	The Bank uses a variety of tools to assess elements of country capacity to measure, monitor, and manage for results. At the national level, WB has assessed the quality and impact of several existing country monitoring systems, supported the PRS process, and helped partner countries gather national and sub-national data for monitoring progress toward their PRS goals. Senior country officials are increasingly using data for planning, monitoring, and policymaking. Analytic work such as public expenditure reviews assess a country's capacity on achieving operational efficiency, service delivery, and outcomes. The PEFA framework is used to assess the quality of public finance systems which are seen as key for getting results on the ground and for assuring that aid resources are being used prudently. The WB CPIA which examines country policies and institutions is also a diagnostic tool for assessing MfDR in economic management and public sector management and institutions (as discussed in a later section). Data on CPIA clusters is collected for all WB clients, IBRD and IDA on an annual basis. The Bank sponsored Doing Business (DB) and Investment Climate Surveys and Assessments (ICS) are tools for assessing country capacity and willingness to support private sector development. ICS captures business perceptions on the biggest obstacles to enterprise growth, and DB indicators comprise detailed, objective measures of the time and cost of strict compliance with government regulations affecting private business across 10 topic areas.

⁷ Results-Based National Development Strategies, Assessment and Challenges Ahead, The World Bank, September (2007).

MATRIX OF INDICATORS

CATEGORY 1 Country Capacity to MfDR

Category 1: Country Capacity to MfDR			
Subcategory 1a Assessing country capacity to MfDRs ⁴	MDB	Number and percentage (%) of countries whose capacity to MfDR has been assessed in the previous 2 years ⁵ .	Brief description of the tools used to assess capacity to MfDR ⁶ .
	WB		<p>The Bank works with the United Nations Development Group and other development partners on a new planning instrument, the transitional results matrix (TRM) which helps low-capacity countries going through a post-conflict or political transition to identify and monitor the key results they need to keep that transition on track.</p> <p>The Bank is currently working with partners in the JV on MfDR to develop a tool which will help countries and their partners identify gaps in country capacity to manage for results.</p>
Subcategory 1b Strengthening country capacity to MfDR	MDB	Number and percentage (%) of countries whose MfDR capacity was supported with T.A. and/or lending projects in the previous 2 years ⁸ .	Brief description of T.A. and/or lending projects
	ASDB	<p>In 2006 and as of 30 September 2007, 8 DMCs (out of 30) have received TA to strengthen their capacity to MfDR.</p> <p>These are Afghanistan, Bangladesh, Kyrgyz Republic, Nepal, Republic of Marshall Islands, Tajikistan, Lao PDR, and Mongolia.</p> <p>Aside from country specific TAs, 5 regional TAs were approved during the 2-year period.</p> <p>MfDR aspects are also being integrated in many TA and loan projects now being processed.</p>	<p>DMC governments have increasingly adopted results frameworks for their national development strategies or national poverty reduction strategies.⁹ To support these efforts, regional departments (RDs) and the Regional and Sustainable Development Department (RSDD) have provided 19 ongoing MfDR technical assistance (TA) projects in 11 DMCs, including TA financed from the MfDR Cooperation Fund, established with contributions from Canada, the Netherlands, and Norway. The Economics and Research Department (ERD) is pursuing its new approach to statistical capacity development, focusing on very weak DMCs.</p>

⁸ These efforts refer to the core set of capacities that countries need to put in place in order to have more effective systems and processes to manage for development results. The activities reported here are lending and technical assistance operations whose principal focus is on strengthening some or all of the above-mentioned 6 MfDR functions – they do not include the capacity building components that are present in many operations for the purpose of helping implement the operation.

⁹ For example, PRC's 11th 5-year plan 2006-2010 has a results focus, with several qualitative indicators to gauge progress toward the "Xiao Kang society", where no person is poor and everyone has at least a modest, comfortable life (i.e., raise per capita income to US\$3,000, urbanization to 50%, and cut rural employment to 30% of the workforce, each by 2020, and 22 social and economic indicators of progress by 2010 toward the long term goal such as cutting pollution by 10% and energy intensity by 20%).

MATRIX OF INDICATORS

CATEGORY 1

Country Capacity to MfDR

Category 1: Country Capacity to MfDR			
Subcategory 1b Strengthening country capa- city to MfDR	MDB	Number and percentage (%) of countries whose MfDR capacity was supported with T.A. and/or lending projects in the pre- vious 2 years ⁹ .	Brief description of T.A. and/or lending projects in (i).
	AsDB		Central Operations Services Office (COSO) has been implementing a program to train DMC staff in improved results techniques at the project level. So far, over 490 executing agency staff from 22 DMCs and almost 140 facilitators have been trained. In addition, AsDB is pilot testing a client-led capacity building approach to results-based organizational development in 4 countries and 14 organizations. ¹⁰ AsDB will survey the outcome of its capacity building approach in DMCs. Findings should be available by end 2007. Peer-to-peer learning ¹¹ and learning-by-doing processes built around a specific project or programs are increasingly used as ways to develop sustainable capacity. Efforts are also being made to utilize ongoing loan/TA portfolios in DMCs to better support MfDR.
	AfDB	51 (96%)	Through the statistics capacity building program of the ICP, the AfDB is carrying out the following activities across their 51 RMCs: Assist in development of National Strategies for the Development of Statistics (for 15 RMCs); build capacity for developing purchasing power parity statistics on African countries; Training: over 2000 participants from 52 RMCs in the areas of price data collection and analysis, development of NSDSs, & processing and production of national accounts data; assistance for Price statistics & national accounts; MDG Monitoring capacity building; Database development and Dissemination.
	EBRD	100%. In particular, 16 countries (out of 29 countries as of the end of 2007) received TA for the Legal Transition Programme.	A wide range of tools is used to support MfDR capacity at country level, from the Legal Transition Programme, which promoted transition by developing legal rules and legal institutions in 16 out of 29 countries of operation (as of end-2007), to TA for institution building and capacity strengthening within ministries and regulatory agencies or TA to municipal entities involved in municipal infrastructure financing.

¹⁰ These include organizations in Nepal, Lao PDR, Philippines and Kyrgyz Republic.

¹¹ Key staff from Planning Commission and Economic Affairs, respectively, (Bangladesh, Nepal and Pakistan) went on a study and exposure visit to Malaysia to study results management implementation processes of the Government of Malaysia (Regional Technical Assistance 6306: Mainstreaming MfDR for Poverty Reduction in South Asia).

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CATEGORY 1 Country Capacity to MfDR

Category 1: Country Capacity to MfDR			
Subcategory	MDB	Number and percentage (%) of countries whose MfDR capacity was supported with T.A. and/or lending projects in the previous 2 years ^a .	Brief description of T.A. and/or lending projects in (i).
1b Strengthening country capacity to MfDR	IADB	<p>Nine out of 26 countries (35%) have been supported with TA operations aimed at strengthening their capacity for MfDR. From mid-2006 to mid-2007, the IADB's Inter-American Institute for Social Development (INDES) provided direct Technical Assistance to civil servants of 25 out of the 26 borrowing member countries (96%) aimed at strengthening their capacity of MfDR.</p> <p>The IADB also provided direct Technical Assistance in Procurement in 24 out of 26 countries (92%).</p>	<p>The TA operations were financed by the IADB's program that supports member countries in strengthening their capacity for MfDR (PRODEV). They include assistance in areas such as Planning, Budgeting and Monitoring and Evaluation.</p> <p>The Technical Assistance provided by INDES, consisted of training courses in MfDR-related topics. 842 officers from the Region attended the courses. They participated in 27 online courses and in 4 face-to-face courses on topics such as: Monitoring of Social Programs; Indicators for Development; Managing for Development Results; and Management for Social Development. The face-to-face events ranged from 24 to 160 hours of work. The online events ranged from 100 to 140 hours.</p> <p>Technical Assistance in procurement consisted of 168 Training Sessions with 3136 participants.</p>
	IsDB	<p>10 out of 56 member countries (18%) obtained self-standing T.A. providing support related to some MfDR themes. A number of similar activities were also included as components of projects.</p>	<p>The most common feature in the approved T.A. (or T.A. activities as project components) is support to strengthening project execution, monitoring and evaluation. In addition, IsDB is now contributing to the International Comparison Program that supports statistical capacity. IsDB has also recently launched its own Statistical Capacity Building Initiative (STATCAP).</p>
	WB	<p>Essentially all Bank lending operations in the previous two years include various capacity building activities. In addition, all investment lending operations include specific efforts to align with and strengthen monitoring and evaluation arrangements specific to the scope and scale of the project. The World Bank introduced a new thematic code to capture lending and analytic and advisory services specifically addressed to improving capacity to manage for results. Although the code has not been widely disseminated, 11 IBRD/IDA operations approved in FY07 and 14 operations in FY06 with a sub-theme "managing for results" code.</p>	<p>Support ranges from strengthening budget and planning processes (primarily through DPOs), to strengthening capacities in sector ministries for example, support to Annual School Census in education projects, support in sectoral projects to build and strengthen information management systems, and training and laboratory testing in Avian flu projects. Another example of TA support to a sector and sub-national level is the development of toolkits for tracking key performance indicators in the water sector at a sub-national level. Project-level support helps countries to use the toolkits and develop the requisite data. The WB has worked on this in Africa, ECA, Asia, and Latin America.</p>

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CATEGORY 2 Country Strategies

Category 2: Country Strategies			
Subcategory 2a Strengthening the results framework of Country Strategies	MDB	Number and percentage (%) of MDB Country Strategies approved in the previous 2 years with explicit baseline data, monitoring indicators, and clearly defined outcomes to be reached.	
	AsDB	100% (8 Country Partnership Strategies).	
	AfDB	The guidelines for the preparation of Country strategy Papers require that each CSP should clearly specify the expected outcomes to which the Bank's CSP will contribute, indicators to monitor progress towards the outcomes and explicit data on baselines and targets for monitoring purposes. Independent or self-evaluation evaluation of these guidelines in last year's report was not carried out in 2006 to ascertain the level of compliance. However, in 2007, of the 15 CSP or CSP updates prepared in 2006 & up through September, 15 had defined outcomes and indicators, but 10 of them had no baseline data and 5 had incomplete baselines.	
	EBRD	100% (29 out of 29 countries of operation as of end-2007). The Czech Republic graduated from EBRD operations in November 2007 (effective from 1 January 2008).	
	IADB	Although the independent Office of Evaluation and Oversight, OVE, reviews the evaluability of IADB's country strategies as they are prepared by management, a consolidated report reviewing a set of country strategies is not prepared every year. The last such Report, prepared in 2005, reviewed 11 country strategies and found that: (i) Most Strategies identified some form of indicators: 55% in the case of Development Objectives, and 72% in the case of strategy objectives. (ii) In general targets for indicators were not identified. (iii) Around half (52%) of the Development Objectives included baselines, while 54% of the Strategy Objectives did.	
	IsDB	Country strategies are not developed systematically at present.	
	WB	16 Results Based CASs were produced in FY06 and 15 will be completed in FY08. OPCS is currently preparing a CAS Retrospective which will review current practice and quality in the use of a results matrix, definition of baselines and use of indicators. The CAS Retrospective will be completed and presented to the Bank's Board in approximately May, 2008.	
Subcategory 2b Reporting and monitoring on Country Strategy implementation	MDB	(i) Number and percentage (%) of MDB Country Strategies that have been subject to an independent evaluation in the previous 2 years.	(ii) Number and percentage (%) of MDB Country Strategies in (i) which received "satisfactory or better" ratings.
	AsDB	In 2006, AsDB prepared 2 Country Assistance Program Evaluations (CAPEs) and accounted for 40% of the country strategies prepared in 2006. ¹² In 2007, AsDB validated 1 CSP completion report in 2007 (representing 17% of the planned country strategies for 2007). In addition, 4 CAPEs were also done in 2007, accounting for 57% of the country strategies planned for 2008.	Of the 7 evaluations done in 2006 and 2007, 57% were rated successful (100% in 2006 and 40% in 2007). This was based on the Operations Evaluation Department's four-tier rating system: highly successful, successful, partly successful, and unsuccessful.

¹² Normally, the Operations Evaluation Department (OED) conducts Country Assistance Program Evaluations (CAPEs) about one year before the expected time of the next country partnership strategy (CPS, formerly called the country strategy and program or CSP). However in 2006 and 2007, there were cases where the CAPE or CSP completion report validation were done in parallel with the preparation of the respective countries' next strategies.

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CATEGORY 2 Country Strategies

Category 2: Country Strategies			
Subcategory	MDB	(i) Number and percentage (%) of MDB Country Strategies that have been subject to an independent evaluation in the previous 2 years.	(ii) Number and percentage (%) of MDB Country Strategies in (i) which received "satisfactory or better" ratings.
2b Reporting and monitoring on Country Strategy implementation	AfDB	4 out of 36 (11%).	3 out 4 of (75%).
	EBRD	NA ¹³	NA ¹³
	IADB	The implementation of Country Strategies is subject to independent evaluation, which is timed to coincide with the beginning of the countries' political cycle. In 2006 and 2007 the independent Office of Evaluation and Oversight, OVE, prepared and presented to the IADB's Board 14 Country Program Evaluations: Barbados, Chile, Costa Rica, and Suriname in 2006, and Guyana, Peru, Honduras, Bolivia, Haiti, Venezuela, Bahamas, Colombia, Mexico and Nicaragua, in 2007.	The current Protocol for the Conduct of Country Program Evaluations (RE-271) does not have a rating system for Country Program Evaluations. Elements of the results of the Bank's program that are evaluated are: (i) relevance (did the program address the major development challenges facing the country?) or focus (did the Bank concentrate its activities in those areas with the highest pay-offs); (ii) coherence (did the program integrate the full range of Bank instruments and co-ordinate Bank actions with those of other development actors?); (iii) efficiency (did the Bank deliver its promised outputs in a timely and cost-effective fashion and what was its success rate in resolving portfolio problems encountered during execution?); and (iv) efficacy (did the program produce the intended development outcomes for the country?). OVE is conducting a review of its Protocol, in which a rating system may be considered.
	IsDB	NA	NA
	WB	<ul style="list-style-type: none"> Each Results Based Country Assistance Strategy (RBCAS) covers 3 years. The country teams produce a CAS Progress Report at mid-term and a CAS Completion Report (CASCR) at the end of the CAS period. IEG reviews all CASCRs, and has reviewed and validated 31 CASCRs over the last 2 years. The World Bank's policy is that 100% of CASCRs are subject to validation by IEG. IEG also conducts independent Country Assistance Evaluations (CAEs), and evaluations of CASs for selected countries (about 5 countries a year). Each CAE covers 3 CASs over a period of 10 years, contains 30-40 pages and requires a field mission. IEG completed 9 CAEs over the last 2 years. 	<p>All the 31 CASCRs validated by IEG included ratings. Of the 31, 22 (70 %) were rated moderately satisfactory or better. 6 were rated fully satisfactory and 16 were rated moderately satisfactory.</p> <p>All the 9 CAEs prepared by IEG included ratings.</p> <p>Of the 9, 5 (56 %) were rated moderately satisfactory.</p>

¹³ EBRD's Board of Directors decided in 2005 not to expand a pilot phase for formal country strategy evaluation. As part of the pilot phase, country strategy evaluations for Azerbaijan, Croatia and the Slovak Republic were carried out. Reports have been published on EBRD's Web site at www.ebrd.com.

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CATEGORY 3

Allocation of Concessional Resources

Category 3: Allocation of Concessional Resources			
Subcategory 3	MDB	Amount and percentage (%) of total concessional lending resources allocated on the basis of performance.	Brief description of the formula or parameters used to measure performance.
Allocating concessional resources on the basis of performance	AsDB	The bulk of AsDF is allocated on the basis of performance. About 95% of AsDF IX was allocated on the basis of performance. Two countries (Afghanistan and Timor-Leste) receive allocations that are greater than they would receive through the PBA system because of their status as post conflict countries. Indonesia is on the watch list for graduation from AsDF and has its allocation capped below what it would receive under PBA. In addition, up to 5% of AsDF IX funds are allocated outside of PBA for sub-regional cooperation projects.	<p>Composite Country Performance Rating (CCPR) is computed as follows:</p> $CCPR = PIR^{0.7} \times GR^{1.0} \times PR^{0.3}$ <p>Where: PIR = Policy and Institutional Rating = the average of Economic Management cluster average score, Structural Policies cluster average score and Social Inclusion/Equity average score.</p> <p>GR = Governance Rating PR = Portfolio Rating</p>
	AfDB	The total amount of concessional resources available under the ADF-XI (2008-2010) is about UA 5.6 billion (1 Unit of Account (UA) = 1 Special Drawing Right). About 75% of ADF-XI resources will be allocated to eligible countries on the basis of performance.	The parameters, which are used to measure performance, include the Country Policy and Institutional Assessment (CPIA) rating and the country portfolio performance rating. The CPIA assesses the performance of countries on sixteen key criteria, which are grouped in four clusters. The four clusters are (A) economic management, (B) structural policies, (C) Policies for social inclusion and equity, (D) governance (public sector management and institutions).
	EBRD	EBRD does not have any concessional resources.	NA
	IADB	As a result of the IDB-07 Debt Relief, for the period 2007-2015 the concessional program for the Fund for Special Operations (FSO) and Intermediate Financing Facility (IFF) countries will be a parallel lending program which consists of a blend of FSO resources and Ordinary Capital (OC) resources. This new approach is based on the Concessional Element (CE) that results through a combination of FSO resources and OC. The mix of FSO and OC resources determines the total concessional lending envelope for each country: 30/70 for Bolivia and Honduras; 50/50 for Guyana and Nicaragua. In addition, in the case of FSO countries, consistency with the Debt Sustainability Framework and the Performance Based Allocation system (DSF/PBA) will be sought in determining the lending envelope.	For the purpose of allocating concessional resources to the FSO and the IFF countries, the IADB uses a formula that consists of 2 major components: Needs - 40% - (Population and Gross National Income per capita) and Performance - 60% - (Portfolio, and Country Institutional and Policy Evaluation). Allocations are made every 2 years; the current allocations cover the period 2007-2008.

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CATEGORY 3

Allocation of Concessional Resources

Category 3: Allocation of Concessional Resources			
Subcategory 3	MDB	Amount and percentage (%) of total concessional lending resources allocated on the basis of performance.	Brief description of the formula or parameters used to measure performance.
Allocating concessional resources on the basis of performance	IADB	Haiti will receive annual grants of US\$ 50 million during 2007-2009 and a mix of grants and loans after 2009 consistent with the DSF/PBA. For these countries the annual amount of FSO is of US\$ 108 million and US\$ 176.6 million of OC for a total concessional program of US\$ 284.6 million, and US\$ 50 million in grants for Haiti. In the case of the IFF countries (Ecuador, El Salvador, Guatemala, Paraguay, and Suriname) the mix of FSO/OC is 20/80. For these countries, the FSO component amounts to US\$50.0 million and US\$200 million of OC for a total concessional program of US\$250 million. The totality (100%) of the concessional program for the FSO and the IFF countries is allocated for a two-year period on the basis of performance.	
	IsDB	Given the relatively limited concessional resources that were available to IsDB, it was not found meaningful to apply a comprehensive performance-based allocation. This matter is being reconsidered on the occasion of the establishment of a new concessional window (Islamic Solidarity Fund for Development).	One main parameter is currently taken into consideration: an accumulation of IsDB-financed projects that are delayed or face other problems in a country would normally lead to deferring approvals of new operations for that country till the situation is corrected.
	WB	Total amount of concessional resources available under IDA15 is USD 41.6 billion. 93 percent will be allocated according to the Performance Based Allocation (PBA) system.	The IDA PBA uses three variables: (i) the quality of a country's present policy and institutional framework (CPIA); (ii) population; and (iii) per capita income. The CPIA measures the extent to which a country's policy and institutional framework supports sustainable growth and poverty reduction, and consequently the effective use of development assistance. The 16 CPIA criteria are grouped into 4 clusters: economic management, structural policies, policies for social inclusion and equity, and public sector management and institutions.

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CATEGORY 4 Projects

Category 4: Projects			
Subcategory	MDB	(i) Number and percentage (%) of projects approved in the previous 2 years whose design quality was reviewed on an arms' length basis ¹⁴ (e.g., quality-at-entry -Q@E-reviews).	(ii) Number and percentage (%) of projects in (i) which received "satisfactory or better" ratings.
4a Improving the overall quality of project design	AsDB	The Quality-at-Entry (QAE) exercise is intended to be carried out every two years according to the enhanced Poverty Reduction Strategy. The first, and so far only, QAE report was for projects approved in 2004 and 2005. It has not been determined if the QAE exercise will be continued to assess projects approved in 2006 and 2007.	See 4(a) (i) above.
	AfDB	The AfDB initiated the Quality at-Entry Assessment (QEA) reviews in 2005 to enhance the Bank Group's quality assurance procedures and to complement the existing review and policy compliance measures. The 2005 QEA exercise entailed a review of a sample of 27 (35%) projects /programs approved by the Board of Directors during fiscal year 2004. The next QEA is envisaged for 2009 for 2008 operations.	All 27 projects reviewed obtained a 'satisfactory' overall rating. However, a post review found that only 67% of projects were satisfactory. Although there is no 2007 QEA, OPEV undertook a QEA type exercise in the agriculture, and education sectors. It was found that out of 29, and 19 operations examined in each sector, respectively, the proportion of operations with satisfactory ratings or higher ranged from 60 to 65% for operations appraised between 1999 and 2006.
	EBRD	100%. By EBRD policy, all projects are scrutinized by the credit department on sound banking and by the office of the chief economist on their expected transition impact potential and risk.	100% The EBRD's policy requires 100% compliance and the control systems do not allow diverting from this policy.
	IADB	In the years 2005 and 2006 (the most recent dates for the Q@E exercise), the following projects were subject to Q@E reviews: 27 out of the 37 (73% of) Investment Projects approved in 2004; 6 (100% of) Policy-Based Loans (PBLs) approved in 2005 and 8 private-sector infrastructure projects approved in 2004 -2005 (100%). In the context of the Bank's realignment, the future modality of the quality-at-entry exercise will be defined in 2008.	Share of projects mentioned in the left column that had an overall rating of fully satisfactory or better: 23 out of 27 (85% of) of Investment Projects approved in 2004; 4 out of the 8 private-sector infrastructure projects (50%) approved in 2004-2005; and 4 out of 6 (67% of) PBLs approved in 2005.
	IsDB	Before approval, 100% of projects are reviewed by a Technical Review Group (TRG: about 80% of its members are not from the originating department).	No rating is currently used. The TRG may however reject a project or return it to the originating department requesting improvements in project design quality.

¹⁴ This implies a review carried out within Management by a Unit that is independent from the loan originating department..

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CATEGORY 4 Projects

Category 4: Projects			
Subcategory 4a Improving the overall quality of project design	MDB	(i) Number and percentage (%) of projects approved in the previous 2 years whose design quality was reviewed on an arms' length basis ¹⁴ (e.g., quality-at-entry -Q@E- reviews).	(ii) Number and percentage (%) of projects in (i) which received "satisfactory or better" ratings.
	WB	Of 643 operations approved in FY 06 and FY 07, a sample of 115 or 18% was reviewed for quality at entry by the Quality Assurance Group (QAG).	Of the 115 reviews, 90% received a highly satisfactory, satisfactory, or moderately satisfactory rating (Please note that this is a preliminary assessment and the final number is expected to be higher).
Subcategory 4b Strengthening the results framework of projects at the time of approval	MDB	(i) Number and percentage (%) of projects approved in the previous 2 years that have explicit baseline data, monitoring indicators, and clearly defined outcomes to be reached.	(ii) Number and percentage (%) of public sector projects approved in the most recent year that have economic analysis (either ERR or cost-effectiveness analysis).
	AsDB	Of the 59 projects approved in 2006, 78% had explicit baseline data, monitoring indicators, and clearly defined outcomes to be reached.	100%. Bank policy states that all investment projects have EIRR.
	AfDB	The guidelines for the project preparation and appraisal require that each project should include a logical framework, which clearly indicates the expected outcomes to which the project will contribute the indicators to monitor progress towards achievement of outcomes, and the baseline data and targets. For 2006 and up through September 2007, 97 Board approved operations had defined outcomes and indicators, but only 37% had baseline data. Another 36% had incomplete baseline data, and 27% had no baseline data.	The guidelines for project preparation and appraisal require that economic analysis, including the calculation of the economic rate of return, should be carried out for each project. 99% of projects approved in the last two years had economic analysis including IRR/NPV analysis or a description of benefits.
	EBRD	100%. By EBRD policy, all projects include transition impact benchmarks to be achieved within a specific timeframe, but improvements are needed to define these benchmarks more clearly, as described in the operations manual of the Bank.	100% of Board approved sovereign public projects in 2006.
	IADB	The Q@E reviews of 27 investment projects approved in 2004 shows that 19 (70%) of them had explicit baseline data, monitoring indicators, and clearly defined outcomes. The Q@E review of 6 Policy-Based Loans approved in 2005 shows that 3 (50%) of them had explicit baseline data, monitoring indicators, and clearly defined outcomes. As well, 6 out of the 8 (75%) private-sector infrastructure projects approved in 2004-2005 were rated as satisfactory for those dimensions of Development Impact. In the context of the Bank's realignment, the future modality of the quality-at-entry exercise will be defined in 2008.	The Q@E review of 27 investment projects approved in 2004 shows that 17 (63%) of them had an adequate economic analysis. The Q@E review of 8 private-sector infrastructure projects approved from in 2004-2005 shows that all of them (100%) estimated an ERR

MATRIX OF INDICATORS

CATEGORY 4

Projects

Category 4: Projects			
Subcategory 4b Strengthening the results framework of projects at the time of approval	MDB	(i) Number and percentage (%) of projects approved in the previous 2 years that have explicit baseline data, monitoring indicators, and clearly defined outcomes to be reached.	(ii) Number and percentage (%) of public sector projects approved in the most recent year that have economic analysis (either ERR or cost-effectiveness analysis).
	IADB	In order to further improve the quality of project design, the Bank has established a minimum set of features: (i) the Operating Plan must be sufficiently well defined to be judged as implementable, extending out at least as far as 1st disbursement; (ii) the results framework and its supporting arrangements for data collection must be sufficiently well defined to be judged viable; (iii) Bank and Borrower must be satisfied that the specific objectives of the operation and special contractual conditions (if any) are adequately specified; and (iv) threshold conditions for compliance with Bank safeguard policies are met.	
	IsDB	As per prevailing procedures, all projects should now be designed and documented using RB/Logframe. This has been the case of 100% of projects approved in 2007, and 65% of those approved the previous year.	All public-sector projects have a comprehensive economic analysis except some projects in the social sector. In 2006, out of 81 approved operations, 69 (i.e. 85%) had such an analysis.
	WB	A recent OPCS review assessed the availability of baseline data in first Implementation Status and Results Reports (ISRs) submitted during FY07 from IDA operations, judging them adequate (as in previous reviews) if they had at least one outcome indicator with baseline data. The review found that more than 80% of the first ISRs reviewed had at least one outcome indicator with baseline data, and 53 % had outcome baseline data for all indicators. With quality taken into consideration (the quality of outcome indicators is based on whether they cover all important aspects of the Project Development Objective (PDO) and appear appropriate, i.e., neither higher-order (beyond the scope of the project) nor lower-order e.g., output indicators.), 63 % of ISRs included baselines on at least one outcome indicator and were also satisfactory on indicator quality.	The quality and coherence of economic rationale and analysis underpinning the projects reviewed at entry by QAG, is 96%.
Subcategory 4c Improving the quality of project supervision	MDB	Number and percentage (%) of projects in execution for which monitoring or supervision reports explicitly report on expected outcomes.	Main steps or initiatives being taken Main steps or initiatives being taken to improve quality of supervision.
	AsDB	100% of loans and TAs under implementation are monitored through the Project Performance Report (PPR) and the TA Performance Report (TPR). Indicators monitored include updated status of intermediate outcome achievement.	PPR and TAPR are updated during review missions and, at minimum, on a quarterly basis. Quarterly meetings are held in each regional department to discuss the status of projects and related issues.

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CATEGORY 4 Projects

Category 4: Projects			
Subcategory	MDB	Number and percentage (%) of projects in execution for which monitoring or supervision reports explicitly report on expected outcomes.	Main steps or initiatives being taken Main steps or initiatives being taken to improve quality of supervision.
4c Improving the quality of project supervision	AsDB		<p>To strengthen resident missions (RMs) role in project implementation, more portfolio management units (PMU) are being established in smaller RMs to allow more delegation of projects and better management of country portfolio. As appropriate and advantageous, delegation of tasks and authority to the field offices would continue to be pursued as a means of providing field-based supervision of projects, facilitating interaction with clients, and shortening response time.</p> <p>Regional Departments (RDs) are preparing annual portfolio administration review plans synchronized with the government budget cycles. This initiative reduces the risk of shortfall in counterpart funds, which has been a factor affecting project progress. RDs are also promoting the use of project management tools and techniques (i.e. critical path method, Microsoft project, results-based country portfolio management) for staff and executing agencies.</p>
	AfDB	<p>Since April 2007, at the time when new supervision report format was launched, 100% of all supervision reports explicitly report on expected outcomes.</p>	<p>In 2007, the AfDB introduced a new supervision report format to be used by operational complex while supervising projects. The new format aims at orienting the project supervision process towards monitoring the achievement of intended results.</p> <p>The AfDB also launched in late 2006/early 2007 the Quality of Supervision Assessment (QSA), whose objective is to carry out an in-depth review of the project supervision process towards ensuring that it is focused on monitoring expected project outcomes and effectively resolves all the quality-related issues, which may arise during project implementation. The final report will be made available shortly.</p> <p>The QSA measures the quality of project supervision on the basis of the following criteria: (i) focus on development goals and development effectiveness; (ii) aspect of project management and execution performance (technical, financial, administrative), (iii) relevance of inputs and supervision processes; and (iv) realism and accuracy of project performance reports.</p>

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CATEGORY 4 Projects

Category 4: Projects			
Subcategory	MDB	Number and percentage (%) of projects in execution for which monitoring or supervision reports explicitly report on expected outcomes.	Main steps or initiatives being taken Main steps or initiatives being taken to improve quality of supervision.
4c Improving the quality of project supervision	EBRD	100%.	Policy requires annual or bi-annual review of projects through the preparation of monitoring reports. These reports assess the projects progress with transition impact, environment and financial performance. Improvements would be needed on reporting on broader outcomes.
	IADB	As of December 31, 2007 an estimated 90.7% (469 out of 517) of all public sector projects that required monitoring or supervision have reported information at outcome level. Private Sector projects have their own monitoring system that also includes outcomes.	As part of a realignment exercise the IADB is presently carrying out a new organizational structure and new operational procedures have being adopted that will result, inter-alia, in a better and more effective supervision of Bank projects. Among the new procedures with an impact on supervision quality are: (i) Loan proposals will have to include detailed arrangements for data collection, analysis of results and reporting of key information; (ii) data on project performance will be audited for quality and integrity; (iii) Loan Proposals will not be submitted to the Board of Directors until a set of minimum criteria – which include a results framework, and its supporting data collection arrangements being sufficiently well defined to be judged viable – have been fulfilled; and (iv) a new high level report, the Loan Results Report, is being introduced, which will compare the actual initial implementation results of a project to the results expected when the Loan was approved.
	IsDB	Focus of supervision is currently on implementation progress and not achievement of results.	The main measure that is considered is increasing budget allocated to supervision activities. Other measures under preparation include: enhancement of field presence; design of a supervision report format that takes results into consideration; implementation of SAP-based M&E reporting system.
	WB	The World Bank monitors and supervises 100% of the projects in the active portfolio, including on progress toward achieving expected outputs and outcomes.	Bank Management uses several instruments to continuously monitor and improve the quality of supervision. The Quality Assurance Group (QAG) reviews quality of supervision on a sample of active projects every two years, and also publishes an Annual Report on Portfolio Performance (ARPP) which highlights the trends in the quality of supervision. Operations Policy & Country Services (OPCS) recently completed a review, following the introduction of reforms to the Implementation Status and Results Reports (ISRs). Each of the Regional Vice Presidencies have quality and results teams reviewing ISRs on a regular basis.

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CATEGORY 4 Projects

Category 4: Projects			
Subcategory 4d Ensuring timely implementation of projects	MDB	(ii) Disbursement Ratio ¹⁵ and annual disbursement.	(iii) Actual vs. planned execution period (between loan approval and closing date) of projects completed during previous year (months and %) ¹⁶ .
	AsDB	Disbursement ratio is 15.9% as of September 30, 2007.	As at Sept. 2007, the average actual implementation period was 91.1 months compared to the average planned original of 67.7 months (35% delay).
	AfDB	In 2006, the disbursement ratio was 21.7% (UA 1,239 billion/ UA 5,720.6 billion). In 2007, the disbursement ratio was 26% (UA 1,616.7 billion/ UA 6,203.8 billion).	Planned: 53 months. Actual: 64 months or (121%).
	EBRD	The estimated disbursement ratio for 2007 was 60%. (Euro 4 bn/Euro 6.7 bn).	10% of projects have been delayed for more than 6 months (which therefore suggests an average delay of 2 to 3 months for each project).
	IADB	As of December 31, 2007, the disbursement ratio was 37.8%. Disbursements during 2007 were US\$7,043.7 Million.	As of December 31, 2007, average actual execution period (of projects exiting the portfolio during 2007) was: 74.8 months compared to the average planned period of 49.7 months (51% delay).
	IsDB	At end of fiscal year 2007-2008, the disbursement ratio was 27.3%. (ID 787 Million/ID 2882 Million).	For projects completed during 2007, the average execution period was 60 months against a planned execution period of 50 months (20 % delay).
	WB	In FY2007, the disbursement ratio was 22.9%. It is calculated as the ratio of IBRD/IDA disbursement in fiscal year over opening undisbursed amount at beginning of the fiscal year and is restricted to investment projects. The undisbursed balance at the beginning of the fiscal year was \$56,312billion and disbursements during the year were \$12,869.7 billion.	N.A. The average project age for IBRD/IDA ¹⁷ in FY06 and FY07 was respectively 5.3 years and 5.24 years. An investment project is considered to be overage if it has been active for more than 8 years; the relevant figure for IBRD/IDA investment lending in FY06 and FY07 was respectively 6.0 and 5.1.

¹⁵ Amount disbursed during previous fiscal year as % of amounts available for disbursement at the beginning of that fiscal year.

¹⁶ Excludes policy-based loans and emergency loans.

¹⁷ If Global Environment Facility projects are included, then the average project age in FY06 and FY07 is respectively 5.5 years and 5.4 years.

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CATEGORY 4

Projects

Category 4: Projects			
Subcategory 4e Portfolio risk management	MDB	(i) Number and percentage (%) of projects in execution as of June 30, 2007 with unsatisfactory implementation progress and/or with development/transition objectives not likely to be achieved ¹⁸ .	(ii) Proactivity Index ¹⁹ .
	AsDB	<p>In 2006, 16 (3%) of the 529 loans under implementation were rated "unsatisfactory" in either implementation progress or impact and outcome.</p> <p>As of September 2007, 20 (4.0%) of the 500 loans under implementation were rated "unsatisfactory" in either implementation progress or impact and outcome. These figures are based on self-assessments and are a part of regular portfolio reviews.</p>	<p>Proactivity index in 2006 was 61.4% (27 loans) compared to 74.2% (46 loans) as of 30 September 2007.</p> <p>2006: 27 loans out of 44 (61.4%). 2007: 46 out of 62 (74.2) as of September 30.</p>
	AfDB	<p>In 2006, 36 out of 372 supervised operations (9.7%) showed unsatisfactory implementation progress or development objectives unlikely to be achieved. These figures are based on ratings reported by staff responsible for project supervision.</p>	<p>Actions are taken on all projects with unsatisfactory implementation progress and/or with development objectives not likely to be achieved. The AfDB periodically prepares, for each Regional Member Country, a Country Portfolio Performance Review Report, which reviews the performance of all on-going operations in the country. The CPPR report includes a section on 'proactive management of the portfolio', which highlights the potential future problems and solutions, and the lessons learned for future country strategy and portfolio management. It also includes a matrix of measures to address all the implementation issues identified.</p> <p>Country Portfolio Improvement Program (CPIP), which analyses the trend in portfolio performance and a program for remedying both the generic problems and the operations specific problems identified, are also prepared. CPIP tools include mid-term reviews, restructuring, closure, cancellation, special supervision, bank-Government workshops, and training programs. At the Bank level, the Annual Portfolio Performance Review report identifies generic issues affecting the AfDB portfolio, and measures are taken to address these issues.</p>

¹⁸ Each MDB should indicate what rating scale it uses for implementation progress and achievement of development objectives.

¹⁹ Proportion of projects mentioned in (i) from the previous fiscal year (t-1) on which actions related to risk management have been taken such as: upgraded, restructured (includes reformulations), suspended, closed, partially or fully cancelled during the last 12 months.

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CATEGORY 4 Projects

Category 4: Projects			
Subcategory	MDB	(i)	(ii)
4e Portfolio risk management		Number and percentage (%) of projects in execution as of June 30, 2007 with unsatisfactory implementation progress and/or with development/transition objectives not likely to be achieved ¹⁸ .	Proactivity Index ¹⁹ .
	AfDB		The CPPR report format was revised in 2007. Not all countries have country-level portfolio reviews as frequently as they should (every two years). 8 CPPR were undertaken in 2007; 17 are planned for 2008. 10 CPIPs are also planned for 2008. The AfDB does not calculate proactivity but intends to do so.
	EBRD	As of end-2007: (a) - 5% of projects (out of 916 projects) where development objectives are not likely to be achieved (i.e. rated 6, 7 or 8 on a scale from 1 to 8). (b) - 0.2% of the loan operating assets are impaired.	(a) - not applicable (b) - 100%. Policy requires that for all projects mentioned in (i) (b) impaired for credit risk, actions related to risk management must be taken.
	IADB	As of December 31, 2007, 17.0% (80 out of 469) of projects in execution had unsatisfactory implementation progress and/or development objectives not likely to be achieved.	During the 12 months ending June 30, 2007, proactive measures were taken for 57.0 % (61 out of 107) projects that, as of June 30, 2006, had been considered to have unsatisfactory implementation and/or development objectives not likely to be achieved.
	IsDB	Out of the 550 operations that were under implementation, 139 (i.e. 25%) had an unsatisfactory implementation progress.	In the previous 12 month-period, 23% of the projects which had an unsatisfactory progress in implementation were cancelled.
	WB	As of June 30, 2007 1,485 projects were under execution with a net commitment value of US\$100,357 million. Of these, 11.7% were rated as unsatisfactory on Implementation Progress (IP) and 7.1% were rated unsatisfactory on Development Objective (DO).	The proactivity index for the Bank's portfolio in FY07 is 79%.
4f Project completion reporting ²⁰	MDB	(i) Number and percentage (%) of projects for which a "Project Completion Report" (PCR) was scheduled to be completed in the previous year, and for which a PCR was actually finalized in the previous year.	(ii) Quality of PCRs: Number and percentage (%) of PCRs evaluated during the previous year with "satisfactory or better" quality in terms of the appropriate use of outcome indicators.
	AsDB	In 2006, 52 of PCRs were circulated out of 64 planned (81.2%). As of 30 Sep 2007, 23 PCRs circulated out of 71 planned (32.4%).	In 2006, 39 out of 50 PCRs (78%) were rated "successful" or "highly successful" in terms of the appropriate use of indicators. As of 30 Sep 2007, 17 out of 22 (77.3%) have been rated "successful" or "highly successful" in terms of the appropriate use of indicators.

²⁰ Project completion reports are typically prepared shortly after the end of project implementation, and provide an account of, among other things, the extent to which outputs and outcomes were achieved, and of the likelihood of attaining the development objectives.

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CATEGORY 4 Projects

Category 4: Projects			
Subcategory 4f Project completion reporting ²⁰	MDB	(i) Number and percentage (%) of projects for which a "Project Completion Report" (PCR) was scheduled to be completed in the previous year, and for which a PCR was actually finalized in the previous year.	(ii) Quality of PCRs: Number and percentage (%) of PCRs evaluated during the previous year with "satisfactory or better" quality in terms of the appropriate use of outcome indicators.
	AfDB	105 out of 205 (51%) at end – December 2007.	In 2007, 52 out of 82 project completion reports (PCRs) have satisfactory quality or better in terms of adequate use of outcome indicators (63%).
	EBRD	100% (916/916) as of end – 2007. Outcome indicators are measured bi-annually or annually during the life of every project/loan as they are not necessarily linked to the physical completion of the project. All projects approved by the Board since 1999 are monitored for transition/development outcome indicators.	95% (see also 4.e: 5% are not expected to achieve their transition impact objectives. For 37.5% of monitored projects, there are significant risks that the expected transition impact may not be fully achieved).
	IADB	During the 12 months ending December 31, 2007, 28 PCRs were approved out of 60 expected to be approved (46.7%).	In 2006, 18 out of the 35 PCRs that were reviewed (51.4%) were rated "satisfactory or better" in terms of the appropriate use of outcome indicators.
	IsDB	15 completion reports were so far received against 39 projects completed in 2007 (39%).	No assessment of completion reports was undertaken by the Operations Evaluation Office.
	WB	The WB's policy is that Implementation Completion Reports (ICRs) should be completed within 6 months of the closing date of the project, and validated by Independent Evaluation Group (IEG), within a month of their submission to the Board and IEG. 100% of lending operations in both IDA and IBRD are validated by IEG. 363 Implementation Completion Reports (ICRs) in FY06, and 251 during FY07.	The total number of Implementation Completion Reports reviewed and validated by IEG in FY06 was 240; 28 (12%) of the ICRs were rated as of unsatisfactory quality. IEG uses the following criteria to assess ICR Quality: Quality of evidence; Quality of analysis; Extent to which lessons are based on evidence and analysis; Results-orientation (ICR should be outcome-driven, not an implementation narrative); Internal consistency; Consistency with Bank ICR guidelines; Conciseness.
Subcategory 4g Project ex-post evaluation	MDB	(i) Number of projects independently reviewed ex-post ²¹ during the previous year, as a % of the average number of projects completed annually during the last 5 years.	(ii) Number and percentage (%) of projects in (i) which received "satisfactory or better" ratings with respect to achievement of development objectives.
	AsDB	In 2006, AsDB's independent Operations Evaluation Department (OED) evaluated a total of 19 projects/programs. These represented around 29% of the annual average number of projects completed from 2002 to 2006.	Of the 19 projects/programs evaluated, 13 or 68% were at least effective (equivalent to at least satisfactory) in achieving development objectives.
	AfDB	9 out of 49 (18%).	7 out of 9 (78%).

²¹ The ex-post evaluation is focused on the achievement of development objectives several years after project completion. Each MDB should indicate how the independent evaluation unit reports on ex-post evaluations, particularly if it doesn't report on individual projects.

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CATEGORY 4 Projects

Category 4: Projects			
Subcategory	MDB	(i) Number of projects independently reviewed ex-post ²¹ during the previous year, as a % of the average number of projects completed annually during the last 5 years.	(ii) Quality of PCRs: Number and percentage (%) of PCRs evaluated during the previous year with "satisfactory or better" quality in terms of the appropriate use of outcome indicators.
4g Project ex-post evaluation	EBRD	In 2006 EvD independently reviewed 27 projects, amounting to 36.4% of the yearly average of 73.4 projects ready for evaluation during the last five years. ²²	74% or 20 of the 27 evaluated projects received a satisfactory or better rating on transition impact.
	IADB	The IADB's ex-post evaluation policy (GN-2254) calls for carrying out, on a sample basis, in-depth ex-post evaluations of the results (impact and/or outcome) of IADB-financed operations, two or more years after completion. In 2007 the independent evaluation office OVE carried out 25 ex-post evaluations, or 32% of the average number of projects completed annually during the period 2002-2006, which was 78.	The current Policy document on ex post evaluation of operations (GN-2254-5) does not have a rating system.
	IsDB	In the last 5 years, an average of 50 projects was completed annually (figure for 2007 is still incomplete as actual recording of completion usually takes place with delay). During the last year of that period, the Operations Evaluation Office finalized the post evaluation of 15 operations, giving a ratio of 30%.	Out of the 15 evaluated projects (11 i.e. 73 %) were rated "successful" while 4 (27%) were rated "partly successful".
	WB	All projects are evaluated at completion through an Implementation Completion Report (ICR) and 100% of ICRs are independently reviewed and validated by IEG. In addition, IEG conducts Project performance assessment reports (PPARs), which includes a field visit, for 25% of projects usually 6 months to several years after project completion.	IEG reviewed the following number of ICRs by fiscal year: FY02 (283); FY03 (288); FY04 (315); FY05 (326); FY06 (363) and FY07 (251). The number of operations that were satisfactory or better was as follows: FY06 (72%); FY03 (76%); FY04 (70%); FY05 (80%); FY06 (79%) and FY07 (78). Ratings for development outcomes reported in IEG's Evaluation Summaries (ESS) are mostly based on data included in the ICRs. Additionally, IEG prepares in depth Project performance assessment reports (PPARs) for about a quarter of completed projects, typically 3-4 years later. For the years FY03-FY07, 66% of the PPARs were found satisfactory by IEG.

²² In line with the contributions from the other MDBs, EvD has taken "projects independently reviewed ex-post" to mean those fully evaluated through OPERs, which include a field visit. EvD also conducts desk-based XMR (expanded monitoring report) Assessments (XMRAs) on approximately a further 30 projects (25 in 2006). The figures are not comparable to the data sent by EBRD on previous years since the latter included XMRAs. Based on the required calculation methodology for 4g (i) the new figures are somewhat misleading because EBRD's portfolio, and hence the number of projects ready for evaluation, is still expanding from year to year. Comparing the most recent year (numerator) against an average of five years (denominator) gives a higher ratio than in any individual year.

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CATEGORY 5

Institutional Learning from Operational Experience

Category 5: Institutional Learning from Operational Experience		
Subcategory 5a Identification and use of good practices and learning lessons from operational experience	MDB	Brief description of existing internal requirements concerning the identification and utilization of good practices and learning lessons arising from implementation experience (at the country, sector and project level), including actions taken during past year to encourage the utilization of good practices.
	AsDB	<p>Identification of good practices and learning lessons arising from implementation experience is generally done by AsDB through a two-tier approach to evaluation of individual operations (for both loans and technical assistance). The first tier involves "self-evaluation" through the preparation of a completion report by the responsible operations department. The second tier in evaluation of individual operations consists of an independent evaluation by OED. In addition, OED is moving towards a 100% validation of project/program completion reports. Also, OED prepares the following reports:</p> <ul style="list-style-type: none"> (i) Impact evaluation studies (IESs) evaluate projects and programs using a rigorously defined counterfactual. (ii) Special evaluation studies extract and aggregate data and information on a specific theme, e.g., non-government and civil society organizations, participation, governance, gender, environment, capacity building. This may involve different modalities, sectors, or countries. (iii) Country assistance program evaluations (CAPEs) evaluate the entire AsDB support to a country covering AsDB's strategy, policy dialogue, both completed and ongoing projects and technical assistance, and AsDB's performance. It provides AsDB and the country with a basis for deciding on changes in the future country partnership strategy. (iv) Sector assistance program evaluations evaluate AsDB's sectoral, strategy, policy dialogue, ongoing and completed projects and technical assistance, and AsDB's performance within a given sector in one country. (v) The annual reports provide a summary of evaluation activities and findings in a particular year, and an assessment of AsDB portfolio performance. <p>To help ensure the utilization of OED's recommendations and lessons, a CAPE is normally prepared before the next CPS for a particular country. Likewise, a policy evaluation study is undertaken before the scheduled review of a particular policy.</p> <p>To further encourage the utilization of good practices, OED through its Knowledge Management Unit, has undertaken a number of measures including (i) the monitoring of actions taken on recommendations stated in the various OED evaluation reports; (ii) embarking on collaboration mechanisms such as reviewing Reports and Recommendations of the President, and project preparatory technical assistance reports; participating in management review and staff review committee meetings; setting up the OED helpdesk; interfacing of OED with AsDB Offices and Departments; actively working with the Evaluation Cooperation Group [ECG] (and presently serving as the ECG Secretariat); and (iii) knowledge sharing and learning through publications (such as the Learning Curves and Success Rates, and postings on development portals), the internet (such as the regular update of the Evaluation Information System, evaluation pages on AsDB.org, paid advertising on Google), press releases, and in-house as well as external presentations.</p>

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CATEGORY 5 Institutional Learning from Operational Experience

Category 5: Institutional Learning from Operational Experience		
Subcategory 5a Identification and use of good practices and learning lessons from operational experience	MDB	Brief description of existing internal requirements concerning the identification and utilization of good practices and learning lessons arising from implementation experience (at the country, sector and project level), including actions taken during past year to encourage the utilization of good practices.
	AfDB	<p>The Operations Evaluation Department (OPEV) evaluation findings, lessons, and recommendations are disseminated through the circulation of PPERs and other evaluation reports within the Bank and in RMCs. These are supplemented, at times, by evaluation report briefs. OPEV has organized presentations for evaluation products (country assistance evaluations and sector policy reviews) in evaluation workshops and thematic dissemination seminars organized for Bank operational staff (evaluation knowledge management). Some 430 documents have been posted on the websites as of September 2007. In addition, more than 1000 CDs with relevant information about the department and many of its evaluations were distributed.</p> <p>The guidelines for the preparation of Results-based Country Strategy Papers require that lessons from previous strategy should be well documented in the CSP report and taken into consideration in elaborating the new CSP drawing from available country assistance evaluation, project completion reports and the experience of other development partners where relevant. At the sector and project level, the guidelines also require a systematic analysis of the Bank's past experience in the sector and how this experience has been taken into account in designing the new sector strategy and sectoral operations. An availability assessment of CSPs is being undertaken by OPEV to ensure among other things the incorporation of evaluation findings and lessons learned in the design of the new RB-CSPs.</p>
	EBRD	Current guidelines require independent review of lessons learned of all projects and all country strategies by Credit, Legal, Economists, Environment, Procurement and Evaluation Departments and a system in place to check the use of lessons learned in new operations before Board approval.
	IADB	<p>Current guidelines require that lessons learned from past strategic and operational efforts be taken into account during the preparation of Country Strategies. The Country Strategies assess the IADB's experience in the implementation of its strategy in the preceding programming cycle, and summarize the principal portfolio management problems encountered, lessons learned -especially regarding institutional bottlenecks- applicable to new projects to be considered, as well as actions taken and pending.</p> <p>PCRs routinely include information on lessons learned from project implementation. In addition, the annual quality review of the PCR determines how effectively PCRs identify relevant lessons.</p>
	IsDB	<p>In addition to measures taken within operational departments, a monthly meeting chaired by top Management is held to review portfolio generic issues.</p> <p>Reports of the Operations Evaluation Office (OEO) are submitted to the Management along with relevant lessons. The said reports are discussed in the operational departments concerned.</p> <p>Representatives of the OEO sit in main committees where projects proposals and status are discussed to ensure lessons learned are taken into consideration.</p> <p>Any project appraisal report must include a chapter giving lessons learnt from previous operations in the country/sector concerned and explaining how these lessons were taken into account in project preparation.</p>

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CATEGORY 5

Institutional Learning from Operational Experience

Category 5: Institutional Learning from Operational Experience			
Subcategory 5a Identification and use of good practices and learning lessons from operational experience	MDB	Brief description of existing internal requirements concerning the identification and utilization of good practices and learning lessons arising from implementation experience (at the country, sector and project level), including actions taken during past year to encourage the utilization of good practices.	
	WB	<p>The Bank draws good practices and learning lessons from institutional resources at the country, sector and project levels.</p> <p>At the country level, the learned lessons and good practices are taken into account. A CAS Completion Report (CASCR) is prepared at the end of the CAS implementation period in order to evaluate CAS program performance and Bank performance. The CASCR is used as an input into the design of the new CAS and is attached as an annex to the new CAS. IEG provides a validation of the CASCR to the Board. The new CAS briefly summarizes the main findings of the CASCR, and discusses how lessons learned have been taken into account in the design of the new CAS and the implementations for the Bank's program going forward.</p> <p>At the sectoral level, major sectors prepare Sector Strategy Papers (SSPs) which are reviewed by the Board and are normally timed to encourage consideration of lessons learned from sectoral and/or thematic evaluations completed by the Independent Evaluation Group. In addition, since FY05, Management has prepared a Sectoral Strategy Implementation Update which summarizes implementation experience and major lessons learned across sectoral strategies for 4 major sectoral areas each year.</p> <p>At the project level, lessons learned section of Implementation Completion Reports (ICRs) presents the most significant positive and negative lessons learned from the operation's experience, drawing on the description and analysis of the operation's design, implementation, and outcome, and on the assessment of the Bank, borrower, and stakeholder performances. The ICR indicates how these lessons are reflected in the arrangements for post-completion operation of the investments financed, follow-up operations, and/or any other next steps. The ICR also suggests which of the lessons have general applicability for similar operations in the sector / sub-sector, the country, or other countries. In case of Development Policy Loans (adjustment operations), the ICR summarizes key factors that contributed to successful implementation of the operation, or a series of operations in case of programmatic DPL, or led to problems (and how the problems were solved) including adequacy of government commitment, soundness of the background analysis in supporting the operation, assessment of the operation's design, and relevance of the risks identified. The latter are aimed to foster use of good practices and lessons learnt arising from implementation experience. Finally, QEAs and quality-of supervision assessment conducted by QAG and IEG evaluations assess the extent to which lessons learned informed the design and implementation of operations.</p>	
Subcategory 5b Evaluation of operational experience	MDB	Management uptake of evaluation recommendations as reported to Executive Boards	Brief description of the budget, number and type of evaluation products delivered during previous year, and actions taken to strengthen independence of evaluation
	AsDB	Management reviews all Operations Evaluation Department (OED) recommendations, responds to all OED reports submitted for consideration and determines those recommendations which can sensibly be implemented, in whole or in part and communicates its decision publicly.	OED's budget for 2006 was around \$ 7.9 million. This amount was to finance a total of 40 evaluation products: 19 project/program performance evaluation reports, 2 technical assistance performance evaluation reports, 2 CAPEs, 1 sector assistance performance evaluation report, 7 special evaluation studies, 2 annual evaluation reports, 2 knowledge products, and 5 other reports. To strengthen the independence of evaluation, the following changes in OED's organization framework were undertaken:

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CATEGORY 5 Institutional Learning from Operational Experience

Category 5: Institutional Learning from Operational Experience			
Subcategory	MDB	Management uptake of evaluation recommendations as reported to Executive Boards	Brief description of the budget, number and type of evaluation products delivered during previous year, and actions taken to strengthen independence of evaluation
5b Evaluation of operational experience	AsDB	OED monitors the actions taken on recommendations contained in its various evaluation reports. Actions taken on these recommendations have been reported separately through a publication entitled "Acting on Recommendations and Learning from Lessons in 2007: Increasing Value Added from Operations Evaluation".	<ul style="list-style-type: none"> (i) To ensure the organizational independence of OED, the department reports directly to the Board through the Development Effectiveness Committee (DEC); (ii) The director general OED is appointed by the Board, upon the joint recommendation by the DEC and the President. The appointment of the director general may be for an initial term of 3 years, which may be renewed for a maximum of 2 years; (iii) The final selection of new OED personnel — to replace departing staff or to fill new positions — is made by the director general of OED, in consultation with AsDB's Budget, Personnel and Management Support Department (BPMSD), based on the skills and technical requirements of the department; (iv) The director general prepares, in consultation with the DEC and the President, an annual work program of activities, taking into account the issues of relevance to developing member countries and the current institutional priorities. The Board is responsible for the final approval of the work program; (v) Within the overall AsDB-wide budgetary framework, the director general of OED, in consultation with the DEC and BPMSD, prepares an annual budget proposal for the department, which is subject to review by the Budget Review Committee; (vi) To carry out its mandate, OED requires full, unfettered access to AsDB records and information related to evaluation work; (vii) The independence of OED need not, and should not, translate into complete isolation of OED from operations. There is scope for considerable gains from mutual interactions without interfering with one another's activities; (viii) The final OED reports are circulated simultaneously to the AsDB management and Board and at the same time, posted on the AsDB website; a sample of major reports are discussed in the DEC.

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CATEGORY 5

Institutional Learning from Operational Experience

Category 5: Institutional Learning from Operational Experience			
Subcategory 5b Evaluation of operational experience	MDB	Management uptake of evaluation recommendations as reported to Executive Boards	Brief description of the budget, number and type of evaluation products delivered during previous year, and actions taken to strengthen independence of evaluation
	AfDB	There is a new draft strategy and action plan for dissemination and feedback including institutional mechanism to review the Management Uptake of Evaluation recommendations. Several actions such as lessons tracking sheets have been proposed to follow up on the implementation of evaluation recommendations. This will be implemented in the near future.	The independent evaluation is responsible for the comprehensive and objective assessment of the development effectiveness of Bank Group assistance strategies, policies, operations, processes, and procedures. It assesses the adequacy of the operational evaluation system and ensures that the lessons of experience drawn are used to improve the quality and effectiveness of the Bank Group activities. The Independent Operations Evaluation Department (OPEV) assists in consultation with the operations, and the Office of the Chief Economist, regional Member Countries (RMCs) in their efforts to develop their own monitoring and evaluation capacity. Types of Evaluation and reviews delivered in 2006: Project Completion Review Report (PCRR) 58-Project Performance Evaluations (PPER) 9-, Country Assistance Evaluations (CAE) 4, Sector Policy/Thematic Reviews 12, Impact Evaluations (nil), Review of Operational Processes and Procedures (8), Corporate Evaluations including the Annual Reports on Development Effectiveness 1. Total Actual Budget of the Department (2006): USD 3,1 million.
	EBRD	System in place whereby Audit Committee of the Board of Directors reviews the evaluation recommendations presented in evaluation reports. Once a year the independent Evaluation Department (EvD), utilizing Management's self-evaluation on the recommendations, reviews their implementation. EvD and Management prepare a report "Follow-up of Evaluation Recommendations by Management" for discussion in the Audit Committee. This report contains Management's self-evaluation on the implementation of the recommendations and EvD's independent assessment of the working of the follow-up process, whereby certain key recommendations can be revisited. Through reviewing the above mentioned report, the Board of Directors fulfils an important accountability obligation and secures an adequate system of uptake of evaluation recommendations.	Ex-post evaluation of 34% of project ready for evaluation in 2006, done based on field visits; 32% done based on expanded monitoring (self-evaluation) reports which allows validation of self-evaluation ratings, and remainder 34% based on review of quality and completeness of self-evaluation reports. - Evaluation of operation sector policies; - Carrying out thematic and impact studies based on specific requests from the Board, Management or on EvD's own initiative. Work programme is approved by the EBRD Board. (EvD budget: 1.2% of total administrative expenses including depreciation).

MATRIX OF INDICATORS

CATEGORY 5 Institutional Learning from Operational Experience

Category 5: Institutional Learning from Operational Experience			
Subcategory	MDB	Management uptake of evaluation recommendations as reported to Executive Boards	Brief description of the budget, number and type of evaluation products delivered during previous year, and actions taken to strengthen independence of evaluation
5b Evaluation of operational experience	IADB	Reports by the independent Office of Evaluation and Oversight (OVE) containing evaluation recommendations are approved annually by the Board of Executive Directors.	<p>The 2007-2009 work program of the Office of Evaluation and Oversight (OVE) includes:</p> <p>(1) oversight studies; (2) country program evaluations; (3) sector, thematic and ex-post evaluations; and (4) policy and instrument evaluations. During 2007, OVE performed eight oversight studies: Work Program and budget; Budgeting for Results; Evaluability Assessment of Projects; Quality of Supervision; Results Framework for the Realignment; Validation of Project Completion Reports (PCRs)/Project Performance Monitoring Reports/Expanded Project Supervision Report (XPSR); and the Multilateral Investment Fund and Inter-American Investment Corporation (IIC). OVE carried out ten country program evaluations on Guyana, Peru, Honduras, Bolivia, Haiti, Venezuela, Bahamas, Colombia, Mexico and Nicaragua.</p> <p>OVE performed six sector, thematic and ex-post evaluations: Rural development, Health project studies, Multi-sector credit operations, Transportation, Social Investment Funds and Early Childhood Programs.</p> <p>With respect to policy and instrument evaluations, OVE performed four studies:</p> <p>Plan Puebla-Panama, The Initiative for the Integration of Regional Infrastructure in South America (IIRSA), Japan Special Fund and its Technical Cooperation Evaluation, and Public Utilities Policy (Energy). OVE's annual budget for 2007 is US\$ 6.9 million.</p>
	IsDB	A consolidated report of the OEO giving an extensive summary of each post evaluation is submitted annually to the Audit Committee of the Board of Executive Directors, giving lessons learnt and specific recommendations. A report following up on implementation of the recommendations is submitted to the Audit Committee after sometime.	The Operations Evaluation Office is currently placed within the Operations Evaluation and Audit Office that reports to the President. A reorganization of the operations evaluation function is under way and is considering various proposals such upgrading the OEO into a Department and having it reporting directly to the Audit Committee of the Board. The scope and size of the OEO has expanded significantly in the last years. In addition to project post evaluations, it carries out country assistance evaluations as well as sectoral or thematic reviews.

MATRIX OF INDICATORS

CATEGORY 5

Institutional Learning from Operational Experience

Category 5: Institutional Learning from Operational Experience			
Subcategory 5b Evaluation of operational experience	MDB	Management uptake of evaluation recommendations as reported to Executive Boards	Brief description of the budget, number and type of evaluation products delivered during previous year, and actions taken to strengthen independence of evaluation
	WB	<p>The Management Action Record (MAR) allows the Board and senior Bank management to track its recommendations from sector, thematic, and corporate evaluations and to monitor the degree to which they have been adopted by management. The MAR tracks two indicators: the level of adoption and the status of individual recommendations. The MAR presents management's and IEG's ratings and explanations. In the 2007 MAR IEG rated 60% of its recommendations as having been adopted by management at high or substantial levels.</p>	<ul style="list-style-type: none"> • The Independent Evaluation Group (IEG) reports independently to the WB's Board of Executive Directors. The IEG has separate arms for the WB (IEG/WB) whose annual budget in FY07 was US\$24.18 million; for the IFC (IEG/IFC) whose FY07 was approximately US\$4.20 million; and for MIGA (IEG/MIGA) whose FY07 budget was approximately US\$1.29 million. • IEG assesses what works, and what does not; how a borrower plans to run and maintain a project; and the lasting contribution of the WB to a country's overall development. The goals of evaluation are to learn from experience, to provide an objective basis for assessing the results of the WB's work, and to provide accountability in the achievement of its objectives. It also improves WB work by identifying and disseminating the lessons learned from experience and by framing recommendations drawn from evaluation findings. IEG's Project Reviews, Country Assistance Evaluations, Sector and Thematic Reviews and Process Reviews.

MATRIX OF INDICATORS

CATEGORY 6 Results-focused Human Resources Management

Category 6: Results-focused Human Resources Management		
Subcategory 6a Strengthening results-related skills among operational staff	MDB	Number and percentage (%) of staff who participated in MfDR training ²³ during the previous year. Briefly describe type and scope of training.
	AsDB	<p>AsDB's Human Resources Division (BPHR) has developed comprehensive MfDR learning and development program, in close coordination with the Results Management Unit (SPRU).</p> <ul style="list-style-type: none"> • 11 learning programs have been developed. • In 2006, 12 sessions were conducted for 245 participants. • In January-June 2007, 10 sessions were conducted for 169 participants. 3 of these 11 programs are for director-level and above. • A specific CPS workshop tailored for a regional department was held in May 2007. • AsDB conducted training programs on the preparation of project Design and Monitoring Frameworks (DMFs), DMFs for policy-based lending, indicators and performance targets with a total of 601 participants. • In-house briefing or seminars on results management were arranged for Regional Departments. • Sessions on MfDR have also been included, respectively, in the induction programs for new staff, new Directors/Country Directors, and orientation programs for Developing Member Country (DMC) officials. • Consultation missions for Resident Mission (RM) Policy review which will address the role of RM staff in adoption of MfDR techniques are being conducted since last quarter of 2006.
	AfDB	In 2006, 244 (56%) professional staff from operational departments or departments directly linked to operations took part in at least one workshop or a training aiming at improving the Bank's results. The workshops and trainings covered various aspects including: operations quality assurance; capacity building to promote good governance in Africa; sustainable development; guidelines on the implementation of the Bank's health sector policy; ensuring the participation of stakeholders; renewable energy; economic analysis and project risk analysis; disbursements rules and procedures; procurement of goods works and consultants selection; and several modules of leadership and management training on the principles of management; human behavior within the institutions; management of staff; operational performance management; clients focus; and time management priorities setting.
	EBRD	NA. A training program targeting all banking professionals and focusing on designing transition impact objectives and identifying monitoring benchmarks for every project was completed during the previous two years.
	IADB	From mid-2006 to mid-2007, 510 operational staff from the IADB attended courses in MfDR-related topics. That number represents approx. 77.4% of the potential staff members of IADB that could attend courses in MfDR. These officers participated in 22 different courses in topics such as: Evaluation Analysis and Risk Management; Management for Results; and the Bank's revised tool for monitoring of project performance. The training events ranged from 2 to 40 hours of face-to-face work, with most being eight hour courses.
IsDB	As far as MfDR is concerned, formal training has been limited mostly to RB/Logical framework (in 2006, 20 staff received the training).	

²³ MfDR training would include, among other things, results-oriented planning, budgeting and monitoring, and evaluation.

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CATEGORY 6

Results-focused Human Resources Management

Category 6: Results-focused Human Resources Management		
Subcategory 6a Strengthening results-related skills among operational staff	MDB	Number and percentage (%) of staff who participated in MfDR training²³ during the previous year. Briefly describe type and scope of training.
	WB	During FY07, 1,286 operational staff ²⁴ participated in at least one MfDR training in 2007 out of a total 7,536. There were 1,899 staff completions of MfDR training in 2007, i.e., some staff took more than one activity. There were 95 Results activities available in the Bank's Learning Management System. Most were in the form of courses (3-5 day activities) and workshops (1-2 day activities) although there were on-line learning activities available, in particular a comprehensive program called Fundamentals of Bank Operations (roughly equivalent to a 3 day course) which has several modules devoted to the MfDR agenda.
Subcategory 6b Emphasizing results-related efforts and/or achievements while assessing operational staff performance	MDB	Describe the manner in which staff compensation and incentives reflects results-related achievements.
	AsDB	Staff's performance is assessed through the Annual Performance and Development Plan (PDP) exercise taking into account staff's results/outputs and behavioral competencies during the review period. Three ratings are used: Exceptional, Satisfactory, and Unsatisfactory. Supervisors may make a special recommendation for those staff members rated 'Satisfactory' who produced commendable results and/or distinguished themselves in some aspect. At the beginning of the year, a detailed work plan is prepared by all staff including tasks, outputs and indicators. The outputs and indicators are then included in the Results Assessment section of the PDP form. The Behavioral Assessment section of the PDP form details the Core Competencies, which include "Achieving Results." In addition managers are evaluated against three managerial competencies including "Leadership and Strategic Thinking," which contain results-focused elements. Competencies are also included in the results-focused job descriptions that are used for recruitment, selection and promotion.
	AfDB	Staff compensation takes into account the results that a staff made. Annual salary adjustments are based on the level of achievement by a staff against the objectives set at the beginning of the year hence tying increases to the results achieved. The Bank does not have automatic adjustment of salaries or any increases outside the performance Management Process. In addition to day-to-day work supervision by Managers, the Staff and the Manager are required have a formal Mid-Year Performance Review to ensure that the Staff are working towards the achievements set out and if there are any problems this is a time to reflect and chart out ways and means of improving on the performance. The results are assessed on a 5-point scale: Outstanding (Scale 5); Superior (Scale 4); Fully Satisfactory (Scale 3); Acceptable (Scale 2) and Unsatisfactory Scale 1. The salary increments are higher in percentage as one move to higher scales and no salary increment is given where the results or performance is Acceptable or Unsatisfactory. In the new compensation strategy there are more initiatives to make performance more sensitive to pay such as introduction of a pay at risk (bonus system) and the introduction of a new 360° performance management system.
	EBRD	Results and transition achievements are a key factor in the EBRD scorecard system for operational staff compensation, directly affecting the remuneration package and bonuses.
	IADB	The current Employee Performance Management system is undergoing several improvement, such as: (1) linking individual results to organizational objectives, which cascade down from the Institutional level, through the Vice Presidencies, Departments and Division to the individual level; (2) assessing and appraising not only individual performance results, but also individual competencies; (3) establishment of performance improvement plans for individuals who perform at a level below the established threshold; (4) capability to capture multi-rater feedback (for both the work planning and appraisal processes, an essential component for successful matrix management; and (5) adoption of a 360-degree evaluation for supervisors as a developmental tool.

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CATEGORY 6

Results-focused Human Resources Management

Category 6: Results-focused Human Resources Management		
Subcategory 6b Emphasizing results-related efforts and/or achievements while assessing operational staff performance	MDB	Describe the manner in which staff compensation and incentives reflects results-related achievements.
	IsDB	Annual staff performance planning and appraisal reflects to some extent quality of projects including successful rating of completed projects.
	WB	Each member of the WB staff prepares an annual Results Agreement that articulates his/her operational commitments, and is monitored by managers on a semi-annual basis. In addition, Overall Performance Evaluations (OPEs) are conducted for all staff. Reviews for all Managers in the operational complex include a review their contributions to portfolio management and performance

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CATEGORY 7

Harmonization Among Development Agencies

Category 7: Harmonization Among Development Agencies		
Subcategory 7a: Brief description of activities pursued by MDBs to harmonize procedures and practices within the last 2 years ²⁵		
Thematic Area of Cooperation	Objectives	Status
1. Operational Policy Roundtable (OPR)	A coordination forum to promote and oversee harmonization efforts.	<p>Completed: 12th and 13th Roundtables</p> <p>Current Focus and Further Steps:</p> <ul style="list-style-type: none"> • The 14th MDB Roundtable will be hosted by World Bank in Washington D.C. in November 2007. • The 2006 Survey on Monitoring the Paris Declaration, officially launched on 2 May 2006, was designed in order to establish an initial and comprehensive baseline against which to monitor progress on the 12 indicators. The final survey results were released in May 2007. The second monitoring survey is expected to be organized in the first half of 2008. • In preparation for HLF-3 to be held in Ghana in 2008, one day of Asia Pacific Consultations was held in AsDB on 17 September 2007.
2. Procurement	Joint analysis of procurement issues.	<p>Completed: Harmonized Master Procurement Documentation for Goods, Consultants Request for Proposal, Works and Pre-qualification (via the heads of Procurement Working Group process).</p> <p>Current Focus and Further Steps:</p> <ul style="list-style-type: none"> • The last Head of Procurement (HoP) meeting was hosted by AfDB in October 2007. • Final draft of the master procurement document for "Plant, Design, Supply, and Install" expected to be approved and implemented by the end of 2007. Each institution will make available its institution-specific harmonized tender/bidding document for "Plant, Design, Supply, and Install" for use on a trial basis. • Institutions have identified the need to cross-harmonize the master procurement documents. The cross-harmonization of Instructions to Bidders/Tenders was discussed at the November 2006 London HoP meeting. Cross-harmonization would apply to the master documents for Works, Goods and Plant, Design, Supply, and Install, but not for small works which will remain in simplified form. • The wide use of the MDB-FIDIC Harmonized Conditions of Contract for Construction (General Conditions) continues to be a success. FIDIC has requested MDB authorization for the promotion of the harmonized document in projects funded bilaterally. Authorization has also been requested for the translation of the document in local languages. Both these authorizations have been conditionally granted, and negotiations with FIDIC continue in this regard.

²⁵ Refer to specific examples of harmonized procedures adopted among multilateral and bilateral agencies with regard to operational and MfDR work in partner countries.

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CATEGORY 7 Harmonization Among Development Agencies

Category 7: Harmonization among development agencies		
Subcategory 7a: Brief description of activities pursued by MDBs to harmonize procedures and practices within the last 2 years ²⁵		
Thematic Area of Cooperation	Objectives	Status
2. Procurement	Joint analysis of procurement issues.	<ul style="list-style-type: none"> • Although it is recognized that fully harmonized guidelines may not be possible at this time, the HoP continue to cooperate in sharing their respective procurement guidelines with a view to eliminating discrepancies to the maximum extent possible. The HoP have also agreed on the need to share procurement-accreditation and training materials. • Environmentally and Socially Responsible Procurement (ESRP), including Core Labour Standards (CLS), remains an important issue in terms of the members' internal and external operations. Ways of building greater levels of ESRP into external operations are being actively pursued by the HoP. A joint procurement/ environment working group session to be hosted by the Inter-American Development Bank is scheduled for early May 2007 to explore ways to achieve progress on common goals. • The HoP also continue to develop guidance on E-procurement. A working group has prepared internal guidance notes on e-bidding, e-reverse auctions and e-purchasing and there has been close collaboration with UNCITRAL for the incorporation of e-government procurement in their model procurement law. Both the World Bank and EBRD have introduced a compulsory fully electronic based consultant selection process for the hiring of their own Consultants. • Following the approval of the harmonized fraud and corruption definitions at the IFI High Level Forum in September 2006 in Singapore, the HoP continue to cooperate with the Compliance Officers and/or Integrity Departments within their organizations with a view to requesting the respective Board of each institution to approve the harmonized definitions, following which the procurement documents will be revised to incorporate the new definitions. Additional work is needed on the clarification of principles and agreement if possible regarding the cross-debarment of entities. • The HoP are observing and, in the case of some individual members, actively participating in the Joint Venture on Procurement of the OECD/DAC. A procurement benchmarking and performance measurement tool is to be tested in pilot countries by the Joint Venture. The tool will focus on the objective measurement of national procurement systems, structures and performance against accepted best international practice but not a comparison of the performance of individual countries against others. <p>Consultants</p> <p>AsDB is currently preparing a Consulting Services Operations Manual (CSOM). This manual will be shared with the other MDBs upon completion thereof in the first quarter of 2008.</p>

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CATEGORY 7

Harmonization Among Development Agencies

Category 7: Harmonization among development agencies		
Subcategory 7a: Brief description of activities pursued by MDBs to harmonize procedures and practices within the last 2 years ²⁵		
Thematic Area of Cooperation	Objectives	Status
3. Disbursement	Work on joint diagnostics, sharing of information and joint learning.	<p>Completed: MDB matrix of disbursement policies/procedures.</p> <ul style="list-style-type: none"> • Following the 3rd MDB Working Group Meeting, the Group met again via video-conference on 27 April 2006 to confirm the minutes of the meeting in Washington and review the status of work program deliverables. • The 4th MDB Working Group Meeting on Disbursement Harmonization was held on 4 December 2006 at AsDB. The Controller welcomed the participants and whilst emphasizing the importance of harmonization, suggested two points for consideration in moving forward: (i) country focus, and (ii) need to accommodate breakthrough thinking. In addition, suggested looking at the disbursement practices of policy-based or program loans. <p>Current Focus and Further Steps:</p> <p>The participants reviewed the progress of the following areas since the last video conference, keeping in mind the Controller's suggestions:</p> <ol style="list-style-type: none"> 1. Project Milestone Dates and Other Terminology; 2. Terminologies; 3. Policy and Procedure Matrix; 4. Fiduciary Control Framework; 5. Common Withdrawal Application Form; 6. Imprest/Special Accounts; 7. MDB Disbursement Website; 8. Anti Money Laundering and Combating Terrorism; 9. Post-conflict/Natural Disaster Recovery Program; and, 10. e-Disbursements. <p>The next action points are as follows:</p> <ul style="list-style-type: none"> – Each MDB will identify three areas of interest for the working group by end November 2007. – WB will come up with a proposal for the way forward by end December 2007. – The next meeting will be convened soon afterwards.
4. Managing for Development Results	<ul style="list-style-type: none"> • Systematically share information. • Form a standing body to provide a forum for the exchange of experiences, views and comments on MfDR at each of the MDBs. • Pursue initiatives to accelerate the results agenda. • Provide a focal point to enable MDBs to interact and collaborate with other stakeholders 	<p>Completed:</p> <ul style="list-style-type: none"> • Ongoing inter-MDB dialogue and sharing of experience in the context of the MDB Working Group on Managing for Development Results (created by the Heads of MDBs). • Ongoing participation of MDBs in the MDB/OECD-DAC Joint Venture on MfDR. • The 2006 COMPAS was coordinated by IADB, and this 2007 has been coordinated by AfDB, while the 2008 will be coordinated by the World Bank. • Community of Practice in MfDR was established in March 2006 and held its Review meeting in September 2006. • Vietnam RB-CSP preparation process has been noteworthy for its many good practices so far, such as the country consultation, earlier start, close coordination and collaboration with the World Bank, JBIC, DFID and other development partners.

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CATEGORY 7 Harmonization Among Development Agencies

Category 7: Harmonization among development agencies		
Subcategory 7a: Brief description of activities pursued by MDBs to harmonize procedures and practices within the last 2 years ²⁵		
Thematic Area of Cooperation	Objectives	Status
4. Managing for Development Results	<ul style="list-style-type: none"> • Systematically share information. • Form a standing body to provide a forum for the exchange of experiences, views and comments on MfDR at each of the MDBs. • Pursue initiatives to accelerate the results agenda. • Provide a focal point to enable MDBs to interact and collaborate with other stakeholders 	<ul style="list-style-type: none"> • The 3rd International Roundtable on Managing for Development Results took place on February 5-8, 2007 in Hanoi, Viet-Nam. • The African Community of Practice (CoP) in MfDR launched in December 2007 at its first annual Meeting held in Kampala; includes website and has some 200+ registered members. <p>Current Focus and Further Steps:</p> <ul style="list-style-type: none"> • As part of its continuing activities, the Working Group will: <ul style="list-style-type: none"> – Plan and implement joint events. – Develop a comprehensive knowledge base of examples of successes and failures in managing for development results in MDBs. – Exchange information, on a regular and systematic basis, as to the strategies, processes, systems, practices, tools and procedures adopted at each institution to manage better for development results. – Exchange experiences on using, and pursue possibilities for developing joint, learning material. – Monitor actions taken by institutions and agencies, other than the MDBs, to manage for development results. • Working Group will work with developing countries, and involve such countries in the initiatives to pursue and manage for development results at the country level. <p>Specific Future Plans:</p> <ul style="list-style-type: none"> • Continue good coordination with other development partners during the result based CSP preparation process for Viet Nam. • Supporting the Community of Practice in MfDR at the regional level, and inviting others to nominate participants from their regional representatives. • Seeking further contributions to the MfDR Fund from the interested donors. • Considering the expansion of the COMPAS to cover additional assessment requirements (including some bilateral assessments). • Facilitate the continued expansion by member country officials of the African CoP for MfDR.

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CATEGORY 7

Harmonization Among Development Agencies

Category 7: Harmonization among development agencies		
Subcategory 7a: Brief description of activities pursued by MDBs to harmonize procedures and practices within the last 2 years ²⁵		
Thematic Area of Cooperation	Objectives	Status
5. Evaluation Cooperation Group	Contribute to better evaluation standards and harmonization across MDBs	<p>Completed:</p> <p>Other harmonized approaches in OED's work that include development partners beyond the ECG members (GEF):</p> <ul style="list-style-type: none"> • Joint Evaluation of the Process and Performance of Selected Global Environment Facility (GEF) Projects — This joint evaluation was carried out together with the MDBs (World Bank, AfDB, EBRD, IADB), the United Nations Environment Programme (UNEP), the United Nations Development Programme (UNDP), the Food and Agriculture Organization (FAO), the International Fund for Agricultural Development (IFAD), and the United Nations Industrial Development Organization (UNIDO). The GEF Joint Evaluation report is completed and was discussed at the Development Effectiveness Committee meeting on 21 September 2007. <p>Current Focus and Further Steps:</p> <ul style="list-style-type: none"> • GPS for Country Evaluation (Country Assistance Program Evaluation/CAPE) — AsDB takes the lead role and also acts as the focal point for interaction with UNEG and OECD/DAC on the initiative. The GPS for CAPE harmonizes the methodologies, practices and processes of CAPEs for public sector investments among ECG members. The ECG members' guidelines, methodologies and activities are reviewed, and common practices that are considered as good practices by both evaluators and users of CAPEs are identified. OED is currently preparing the final draft of the Background Paper (Phase I) which is expected to be adopted at the next meeting of ECG in November 2007 at which point phase II (development of the GPS) will start. The draft GPS for CAPE (Phase II) will be completed in the first quarter of 2008. • Public Sector Project Lending — WB takes the lead in this exercise to undertake a benchmarking study and revise the good practice standards for public sector project lending. A draft of the benchmarking report was prepared and reviewed by ECG members in 2007. Comments are in the process of being reflected in the revised version of the report. The next step will involve preparing revised good practice standards in the evaluation of public sector project lending. • Establishment of a Robust Peer Review Process — The Task Force comprises the heads of the evaluation departments of EBRD, AsDB, and IADB. The Chief Evaluator of EBRD and the Director General of IADB's Office of Evaluation and Oversight visited AsDB on 15–16 February 2007. ECG approved the paper. It is now up to ECG members to volunteer for a peer review. AsDB's DEC will consider the priority that should be accorded to this. Decisions on OED participation on hold pending appointment of a new DG of OED.

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CATEGORY 7 Harmonization Among Development Agencies

Category 7: Harmonization among development agencies		
Subcategory 7a: Brief description of activities pursued by MDBs to harmonize procedures and practices within the last 2 years ²⁵		
Thematic Area of Cooperation	Objectives	Status
5. Evaluation Cooperation Group	Contribute to better evaluation standards and harmonization across MDBs	<ul style="list-style-type: none"> • Technical Assistance (TA)/ Cooperation (TC) Evaluation — A working group, lead by IFC, was formed on the evaluation of TA/technical cooperation (TC) and capacity development. There was consensus that ECG should develop a GPS for TA/TC. At the March 2006 ECG meeting, IFC presented a framework for comparing the practices among ECG members for completion reporting and independent review of TA/TC. AfDB, AsDB, EBRD, IADB, EIB, IMF, and the WB Group are participating in this work. A draft of the good practice standards for the evaluation of TA/TC is expected to be available before the end of 2007. • Integrated Evaluation Data Base — In March 2006, ECG members agreed that an integrated database of project/program ratings should be created. It was agreed that ECG members would forward their data bases to WB Group for integration but significant effort would be required to achieve a consistent data base. Data has been submitted by the Independent Evaluation Group of the World Bank and OED in AsDB. At the ECG June 2007 meeting, other ECG members agreed to provide the missing data. • ECG Website (ECGnet) — The focus is to disseminate lessons from evaluations. These last few years the World Bank Group has been responsible for administration, maintenance, and enhancement of the ECGnet. However, the website has fallen into disuse and needs revitalization. At the ECG meeting held in Paris in October 2006, members agreed to revamp the ECG net and OED in AsDB will be responsible for its administration, operation, maintenance, and development. In 2006, OED assumed responsibility for, maintenance, and enhancement of ECGnet. In early 2007, OED completed an overhaul of the platform. At the June 2007 ECG meeting, the MDBs agreed to establish a part-time secretariat to synchronize ECG activities; continue to administer, maintain, and develop the ECGnet; and provide support services to the ECG Chair. Since OED in AsDB led the revamp of the ECGnet, it was agreed that the secretariat would be established in AsDB, on a cost shared basis, with the seven MDBs pooling contributions under an AsDB account. A new website has been launched (www.ecgnet.org) collaboration among the MDBs. Many communications concern the preparation and conduct of the twice-yearly meetings of the ECG and relate to working groups, for instance, on policy-based lending, country program evaluation, and private sector evaluation. The ECGnet also provides a ready forum for discussion.

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CATEGORY 7

Harmonization Among Development Agencies

Category 7: Harmonization among development agencies		
Subcategory 7a: Brief description of activities pursued by MDBs to harmonize procedures and practices within the last 2 years ²⁵		
Thematic Area of Cooperation	Objectives	Status
5. Evaluation Cooperation Group	Contribute to better evaluation standards and harmonization across MDBs	<ul style="list-style-type: none"> Evaluating the Paris Declaration on Aid Effectiveness — The evaluation will be based on a four-track approach: (i) development of a common evaluation framework, (ii) country-led evaluation initiatives, (iii) thematic case studies across donors, and (iv) a medium to long-term program of synthesis and meta evaluation work. This work is expected to feed in to the next high-level forum in 2008. In this context, several ECG members (AfDB, AsDB and WBG) outlined evaluation work in their respective programs that would contribute to the evaluation of the Paris Declaration. For the AsDB, the SES on AsDB's Approaches to Partnering and Harmonization, which will be completed by October 2007, will contribute to this initiative. All members agreed that ECG would further consider how it could contribute to a joint evaluation of the Paris Declaration. OED has completed a special evaluation study on AsDB's approach to partnering and harmonization. A separate report is being prepared for the donor HQ evaluation being coordinated by OECD-DAC. A draft will be finalized by end November 2007. The next review of the ECG GPS for evaluation of private sector investment operations will take place by the end of 2009.
6. Performance Based and Country Performance Assessments	<ul style="list-style-type: none"> The MDBs and other multilateral institutions share a common interest in improved methods for the allocation of scarce concessional resources. The meeting which was held in 2005 responded to requests by donor shareholders to consider opportunities for closer alignment on PBA. 	<p>Completed:</p> <ul style="list-style-type: none"> The 3rd MDB Technical Meeting on PBA Methods was held in Washington in January 2007. The discussions focused on: (i) performance ratings issues, (ii) PBA system simplification and reducing volatility, (iii) PBA in post conflict and fragile states, (iv) allocation issues, and (v) PBA debt relief issues. <p>Current Focus and Further Steps:</p> <ul style="list-style-type: none"> Harmonization activities on PBA are planned with the World Bank and other MDBs including: (i) participation in the Fourth MDBs Technical Meeting on PBA in Italy; (ii) additional joint capacity-building activities on PBA, (iii) further work on harmonization of PBA assessments of portfolio performance; (iv) participation in the MDB Meeting on Debt Issues; (v) participation by regional development banks in the preparation of International Monetary Fund–World Bank–led debt sustainability analysis (DSAs), and capacity building on DSAs for regional development banks. For Pacific DMCs, AsDB would like to pursue the possibility of joint AsDB–World Bank assessments of country performance, based on synchronization of the assessment and rating cycle for the two institutions.

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CATEGORY 7 Harmonization Among Development Agencies

Category 7: Harmonization among development agencies		
Subcategory 7a: Brief description of activities pursued by MDBs to harmonize procedures and practices within the last 2 years ²⁵		
Thematic Area of Cooperation	Objectives	Status
7. Environment	Formulate harmonization and coordination approaches which will simplify and facilitate donor coordination, promote consistent communication with borrowers, encourage collaborative capacity building, reduce transaction costs for borrowers, and increase development effectiveness.	<p>Completed:</p> <p>Following meetings completed:</p> <ul style="list-style-type: none"> • Black Sea Trade and Development Bank on 3-5 May 2006. Topics included: (i) Equator Principles; (ii) land degradation and desertification; (iii) markets for environmental goods and services; (iv) clean energy and climate change investment framework; (v) re-emergence of nuclear power; (vi) safeguard policy updates among the MFIs; and (vii) ISO 14001 and EMAS. • meeting was held at IADB in May 2007. Topics included: (i) safeguard policy update; (ii) climate change responses; (iii) sustainability. <p>Current Focus and Further Steps:</p> <p>The MFI-Working Group on Environment (MFI-WGE) has continued to work on harmonization. In addition to its broader environment agenda, key current activities of the MFI-WGE include:</p> <ul style="list-style-type: none"> • Preparation of an Updated Version of the Pollution Prevention and Abatement Sourcebook; (now EMS Guidelines). • Joint preparation of Indigenous Peoples Policy Handbook Guidebook. • Development of a joint work program for Use of Country Systems. • Consultation on each agency's respective safeguard policy updates. • Sharing experiences on environmental mainstreaming and the application of country environmental analysis.

MATRIX OF INDICATORS

CATEGORY 7

Harmonization Among Development Agencies

Category 7: Harmonization among development agencies		
Subcategory 7a: Brief description of activities pursued by MDBs to harmonize procedures and practices within the last 2 years ²⁵		
Thematic Area of Cooperation	Objectives	Status
8. Gender	<ul style="list-style-type: none"> • Report on women's representation in member organizations. • Share good practices in the areas of recruitment and career development. • continue to focus on mainstreaming gender issues into the Poverty Reduction Strategy. 	<p>Completed:</p> <ul style="list-style-type: none"> • The MDBs participated in the Working Group on Gender (WGG), which took place on June 26-29 2007 in Paris. • The AsDB participated in the OECD/DAC Network Meeting on Gender Equality (GenderNet)²⁶ on June 26-29, 2007 in Paris. <p>Most recent and ongoing areas of collaboration include:</p> <ul style="list-style-type: none"> • Publication of the CGA for Vietnam in 2006 in coordination with the WB, UNDP, DFID and other development partners. • Consultation workshop on the CGA for PRC (April 2006), in partnership with the WB. <p>Current Focus and Further Steps:</p> <p>Potential areas for future collaboration during 2007/2008 were identified as being:</p> <ul style="list-style-type: none"> • Joint Country Gender Assessments. • Sub-Regional initiatives: Gender and Economics Training. • Knowledge Products: e.g. GAD project case studies and/or "promising approaches". • Joint MDB-WGG: gender and Infrastructure workshop. • Joint MDB-WGG Seminar on Financing Gender Equality sponsored by UN-DAW for the next meeting of the Commission on the Status of Women (CSW) in February/March 2008. <p>The 2007 program of Gendernet will include:</p> <ul style="list-style-type: none"> • Revising the DAC Guidelines on Gender Equality and Women's Empowerment. • Collaboration with DAC sub-group on statistics to refine gender markers. • Addressing gender equality issues in the new aid modalities in the context of the Paris Declaration. • Joint analytical work on gender in country. • Promoting inclusion of gender action plans in the context of closer alignment of country policies.

²⁶ The Network on Gender Equality (GenderNet) is one of OECD/DAC's 8 DAC networks consisting of the following: (i) statistics; (ii) aid effectiveness and donor practices; (iii) development evaluation; (iv) gender equality; (v) poverty reduction; (vi) governance; (vii) conflict, peace and development effectiveness; and (viii) environment and development cooperation. The main objectives of the GenderNet are to contribute to improving the quality and effectiveness of development cooperation; provide strategic support for policies and policy development of DAC; and provide members with a forum for sharing experiences and disseminating good practices and innovative approaches.

MATRIX OF INDICATORS

CATEGORY 7 Harmonization Among Development Agencies

Category 7: Harmonization among development agencies		
Subcategory 7a: Brief description of activities pursued by MDBs to harmonize procedures and practices within the last 2 years ²⁵		
Thematic Area of Cooperation	Objectives	Status
8. Gender	<ul style="list-style-type: none"> • Report on women's representation in member organizations. • Share good practices in the areas of recruitment and career development. • continue to focus on mainstreaming gender issues into the Poverty Reduction Strategy. 	<p>In 2008, a biennial workshop with the United Nations' Interagency Network on Women and Gender Equality (IANWGE) will be hosted by GenderNet and will likely focus on enhancing partnership between bi- and multi-laterals to support partner country efforts for gender equality and women's empowerment.</p> <p>It will address issues pertaining to: (i) the role of multilaterals; (ii) how bilaterals can support efforts of multilaterals; (iii) innovative practices in partnership between bi- and multi-laterals; and (iv) opportunities to enhance and scale-up our mutual work to support partner country efforts.</p>
9. HIPC and Debt Sustainability	<p>Coordinate with other international finance institutions on debt relief and debt management issues.</p>	<p>Completed:</p> <ul style="list-style-type: none"> • In July 2007, the MDB meeting on debt issues was held in Washington DC with focus on progress in implementing the HIPC Debt Relief Initiative and the Multilateral Debt Relief Initiative, the application of debt sustainability framework, and the debt management capacity building in low income countries. <p>Current Focus and Further Steps:</p> <ul style="list-style-type: none"> • Focus has moved to Multilateral Debt Relief Initiative (MDRI) and considerations about modalities, compensation and other key issues. <p>Joint AfDF/IDA/IMF missions on forward-looking debt sustainability analysis in selected African countries, beginning with Central African Republic and Liberia in November 2006</p>
10. Capacity Development, Governance and Anticorruption	<p>Exchange ideas, approaches, tools and efforts to harmonize policies, guidelines and operational procedures.</p>	<p>Completed:</p> <ul style="list-style-type: none"> • AsDB participated in a Seminar on Governance Assessments and the Paris Declaration: Opportunities for Inclusive Participation and National Ownership, held 23-25 September 2007, in Bergen Norway, co-hosted by the Christian Michelsen Institute (CMI) and the UNDP Oslo Governance Centre. • AsDB participated in an inter agency consultation seminar on anti corruption in fragile states on 17 October 2007 and the 10th meeting of the DAC Network on Governance (GOVNET) on 18-18\9 Oct 2007, in Paris, France. <p>Current Focus and Further Steps:</p> <ul style="list-style-type: none"> • There is an intent to deepen and widen AsDB's harmonization and collaboration efforts with other donors <ol style="list-style-type: none"> for developing, maintaining and utilizing governance analytical instruments; for improving governance indicators, particularly in relation to Performance-Based Allocation; in assisting DMCs determine the governance indicators to track the quality of governance within the context of their poverty reduction strategies and achievement of MDGs; and in the provision of training courses for DMC staff and AsDB governance and capacity development specialists.

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CATEGORY 7

Harmonization Among Development Agencies

Category 7: Harmonization among development agencies		
Subcategory 7a: Brief description of activities pursued by MDBs to harmonize procedures and practices within the last 2 years ²⁵		
Thematic Area of Cooperation	Objectives	Status
10. Capacity Development, Governance and Anticorruption	Exchange ideas, approaches, tools and efforts to harmonize policies, guidelines and operational procedures.	<ul style="list-style-type: none"> This working group has been without a chair for some time. AsDB has offered to host the next working group meeting with a focus on Capacity Development. <p>Update: following the approval of the World Bank Governance and Anticorruption Strategy and AsDB' Governance and Anticorruption Action Plan (GACAP II) and the CD Framework and Medium Term Action Plan, there is general agreement among the MDBs that harmonization efforts will focus at the OECD-DAC Governance Network (GOVNET) and the Learning Network for Capacity Development (LENcd). RSCG staff participate in both networks.</p>
11. Trust Funds and Cofinancing	Discuss alignment of trust fund policies and mobilization efforts.	<p>Completed:</p> <ul style="list-style-type: none"> Discussion on use of trust funds to respond to special crises. How to work with the EC. Cofinancing definitions in an era of post-project operations. IT infrastructure and e-trust funds. In September 2006 AfDB decided to reform its Technical Cooperation Fund (TCF) so as to align relevant programs with those of other MDBs. Implementation of reforms will take place over 3 years. MDB Forum hosted by EIB on new approaches/concepts on cofinancing.
12. MDB role in middle income countries	Discuss common suggestions for a stronger MDB response to new challenges.	<p>Completed:</p> <ul style="list-style-type: none"> Joint regional consultations. <p>Current Status and Further Steps:</p> <ul style="list-style-type: none"> Joint policy paper on blending. AsDB finalizing a paper on "Enhancing AsDB Support to MIC and OCR Borrowers". AfDB is preparing a strategy for MICs
13. Investment climate and BEEs program	Cooperate on investment climate surveys and ensure that similar studies in other regions will be global MDB activities.	<p>Completed:</p> <ul style="list-style-type: none"> 1st round surveys completed. <p>Current Focus and Further Steps:</p> <p>Planning of the surveys for the remaining regions.</p>

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CATEGORY 7 Harmonization Among Development Agencies

Category 7: Harmonization among development agencies		
Subcategory 7a: Brief description of activities pursued by MDBs to harmonize procedures and practices within the last 2 years ²⁵		
Thematic Area of Cooperation	Objectives	Status
14. Financial Management Harmonization	MDBs are struggling with how to both operationalize financial management (FM) and institutionalize the harmonization agenda.	<p>Completed:</p> <ul style="list-style-type: none"> • Meeting of the Developing Nations Committee (DNC) of the International Federation of Accountants (IFAC) hosted by the Ordre des Experts Comptables de Tunisie in Tunis from 15-16 February 2006. • IFAC SME/SMP forum in Hong Kong on 3 July 2006. • A video conference meeting was held on 27 July 2006. WB chaired the meeting. • CAPA Strategic Planning Meeting on 28-30 September 2006. • Annual MDB Tech WG Meeting on FM Harm'n on 5-6 December 2006. • PEFA training conducted by WB on 7 December 2006 in AsDB. The training was participated by WB, AsDB, AfDB. • Videocon meeting chaired by WB was held on 21 February 2007 and attended by AsDB, AfDB, IADB, AsDB and IsDB. • AsDB attended the annual MDB Tech WG Meeting hosted by WB from 11-12 June in Mexico City. • AsDB attended the 17th Conference of the Confederation of Asian and Pacific Accountants in Osaka Japan on 3-5 October 2007. The theme of the Conference will be "How Professional Accountants can develop the Asian Economy". <p>Current Focus and Further Steps:</p> <ul style="list-style-type: none"> • At the regional level, the Asia Pacific Subgroup is focusing on knowledge sharing (training materials, websites, methodologies and reports are being shared among the various MDBs), and networking. • The primary issue which appears to be of interest to the MDB community would be the continuing calls for differential reporting standards (i.e. "big GAAP, little GAAP") and the perceived inability of IASB to develop a SME sets of accounting and reporting standards that reflects the true needs of SMEs. • AsDB work in progress includes: (i) technical note on the preparation of cost estimates which should be available by the next meeting on the 4th quarter of 2007 and will be shared with the MDB Technical Working Group. • At the most recent MDB Tech WG on FM Harm'n meeting it was decided that the group would draft a paper on FM Harmonization to be delivered to management of the respective institutions. The paper would highlight the group's achievements and next steps. An initial outline has been drafted and compilation of inputs is ongoing.

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CATEGORY 7

Harmonization Among Development Agencies

Category 7: Harmonization among development agencies		
Subcategory 7b Carrying out joint activities	MDB	(i) Brief description of joint country-level activities carried out with other MDBs and bilaterals on MfDR.
	AsDB	<ul style="list-style-type: none"> • In 2006, 4 program-based approaches were approved. All these four have significant partnership elements in financing, technical assistance support and monitoring as well as in harmonizing approaches to implementation. • Out of the total 28 country portfolio reviews (CPRs) in 2006, 10 CPRs were conducted jointly with the World Bank and other development partners (Afghanistan, Pakistan, Tajikistan, Uzbekistan, Mongolia, PRC, Bangladesh, Nepal, Cambodia and Lao). • Out of total number of 8 CPS missions held in 2006, 2 were missions were conducted jointly with World Bank and other development partners (Fiji and Lao). • In addition to the above, there are many more specific meetings between DMCs, AsDB and donors which are often project-related.
	AfDB	<p>The AfDB carries out a range of activities with other MDBs and bilateral agencies at the country level.</p> <p>These activities include:</p> <ol style="list-style-type: none"> 1. Joint programming: Joint assistance strategies with other donors in Tanzania, Uganda and Zambia, and joint interim strategy with the World Bank for the Central African Republic and Liberia. 2. Projects and programs: Cofinancing operations, including in sector-wide approaches, and budget support operations. In 2007, the AfDB and other donors provided USD 1.29 billion and USD 4.2 billion respectively in co-financed operations. 3. Joint analytic work with other donors: The AfDB has participated with other donors in many country diagnostic studies, including 16 country procurement assessments (CPAR), 22 country financial accountability assessments (CFAA)/public expenditure and financial accountability assessment (PEFA). The AfDB has also carried out 26 country governance profiles, some of which have done with the participation of other donors. 4. Post-Evaluation: The AfDB has also carried out joint evaluation work with other donors. These include 1 country assistance evaluation done with the World Bank, 1 joint evaluation of the agriculture and rural development policies and operations in Africa done with IFAD. The AFDB is also member of the MDBs Evaluation Cooperation Group and, therefore, participates in the joint evaluation work done within this group.
	EBRD	In the last 2 years, EBRD has co-financed investment projects with other MDBs in 13 countries out of 29 as of end-2007. In addition, the EBRD is working closely with other MDBs in the design of its Country Strategies.
	IADB	<p>In the last two years, the IADB has carried out the following joint activities with the World Bank. The preparation of:</p> <ul style="list-style-type: none"> • Country Financial Accountability Assessments (CFAA), in Argentina and Costa Rica. • Country Procurement Assessments reports (CPAR) in Chile, Haiti, and México • An Integrated Fiduciary Assessment (IFA) in Guyana. • Public Expenditure & Financial Accountability indicators (PEFA indicators) in Haiti, México and Nicaragua. • A Country Financial Accountability and Procurement Assessment Report (CFAA/CPAR) in Jamaica. • Reports on Standards and Codes (ROSC) in Haiti and Honduras. • A Country Financial Accountability Assessment/Public Expenditure & Financial Accountability/Country Procurement Assessments Report (CFAA-PEFA/CPAR) in Panamá.

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CATEGORY 7 Harmonization Among Development Agencies

Category 7: Harmonization among development agencies		
Subcategory 7b Carrying out joint activities	MDB	(i) Brief description of joint country-level activities carried out with other MDBs and bilaterals on MfDR.
	IADB	<ul style="list-style-type: none"> • A Country Financial Accountability Assessment/Public Financial Management Performance Report, (CFAA/PFM-PR) in El Salvador and the completion of Country Procurement Assessments reports (CPAR) in El Salvador and Paraguay. The IADB has also assisted member countries, jointly with the WB, in: • The production of Standard Bidding Documents for the procurement of Goods and of Standard Bidding Document for the procurement of Works adapted to national laws (National Competitive Bidding), harmonized with IDB's and WB's procedures (Chile, Mexico, Colombia, Honduras and Peru) • The production of Request for Proposals documents for the selection of consultants harmonized with IDB's and WB's procedures in Chile and Mexico. • The organization of a Procurement Seminar for executing agencies in Colombia from March to October 2007; • The organization of a Procurement training session for executing agencies in Nicaragua in June 2007. • The design of strategies for procurement reform in Peru and Colombia.
	IsDB	IsDB is increasingly working with other MDBs in co-financing and joint appraisal of projects but there is little joint work on analytical studies or CAS, CSP. This is mostly due to IsDB limited field presence..
	WB	<p>African Development Bank. IDA and the African Development Bank are involved in cooperation on several levels: using a common FM platform (e.g., in Nigeria), common PIUs, joint supervision missions, and joint reviews of sector and budget support (e.g., in Rwanda), preparing joint assistance strategies, and collaborating on harmonizing their support to fragile states.</p> <p>Inter-American Development Bank. The World Bank and the Inter-American Development Bank (IADB) have been collaborating actively on preparing ESW and using common procurement bidding documents and common thresholds for national competitive bidding. In both middle-income and IDA countries (such as Bolivia and Nicaragua), they generally do their Country Financial Accountability Assessments and Country Procurement Assessment Reports jointly, using them as a platform for PFM reform.</p> <p>The World Bank and other MDBs are paying increasing attention on the special challenges posed by fragile states and working on identifying opportunities for increased harmonization amongst their approaches to fragile situations.</p> <p>OECD/DAC Joint Venture on Public Financial Management (PFM) is co-chaired by the WB: The goal is to harmonize and lead work on PFM with bilateral donors. They met in July 2007.</p> <p>The JV for Procurement has pilots underway in 22 countries. These pilots have been underway for about 1 year now. They involve conducting an assessment using the OECD/DAC assessment tool, coordinated verification process between donors and client country on the outcome of the assessment (which is in some cases done as a self assessment) and the formulation of a coordinated program of capacity development to address the issues revealed by the assessment process.</p> <p>This whole process is overseen by the JV. Progress Reports are posted on-line and the JV is producing a lessons learned and guidance note that will provide good practice information for other countries that are not pilots. The participants at the country level vary depending on which donors are active and interested in the area of procurement reform. The Bank and the other MDBs are participants in the process but not always the lead donor.</p>

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CATEGORY 8

Private Sector Operations

Category 8: Private Sector Operations ²⁷			
Subcategory	MDB	8a-1) Number (%) of countries whose business environment has been assessed in the last year.	Description / Comments
8a Private Sector Business Environment	AsDB	24 of 40 developing member countries (60%).	Country partnership strategies are prepared for AsDB's developing member countries. Country specific assessments are prepared from time to time. In 2007, 24 such documents were prepared.
	AfDB	4 of 53 client countries (7.5%).	The Private Sector and Microfinance Department (OPSM) recently launched the preparation of private sector country profiles (PSCP). The aim of these PSCP is to assess the business environment in the country. Areas covered by these assessments include the socio-political and economic situation, the business climate, the profile of the private sector, and the opportunities, and constraints, for the development of the private sector. Three PSCPs were finalized in 2006 and another one is being finalized. The business environment is also assessed in the course of the preparation of the country strategy paper (8 CSP were prepared in 2006 and 8 in 2007). In an interest in harmonization, the AfDB also utilizes business environment data from other institutions, such as the World Bank's doing business surveys. This avoids duplication of effort.
	EBRD	29 of 29 client countries (100%).	See Transition Report – http://transition-report.co.uk
	IADB Group	6 of 26 client countries (23%).	Since 2004, the Bank has been preparing strategic guidelines for private sector development as part of the process leading to the preparation of Country Strategies. These guidelines include an assessment of the business environment, which is based on relevant country surveys and analytical work, as well as on external business/investment climate assessments. In 2006 and 2007 the Bank prepared strategic guidelines for private sector development in 6 out of 26 borrowing countries (23%). In 2005 it had covered another four countries for a total so far of 10 (38%).
	IsDB Group	3 of 56 (5%).	Extensive reviews of the business environment of three member countries were prepared in 2007. A more limited assessment of the business environment is also undertaken as part of specific projects preparation.

²⁷ For the purpose of this document private sector operations are defined as operations which do not involve a government guarantee.

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CATEGORY 8 Private Sector Operations

Category 8: Private Sector Operations			
Subcategory	MDB	8a-1) Number (%) of countries whose business environment has been assessed in the last year.	Description / Comments
8a Private Sector Business Environment	World Bank Group	148 of 156 World Bank Group client countries (95%).	<p>During FY07, the following business environment country assessments were conducted:</p> <ul style="list-style-type: none"> - The Doing Business survey and publication covered 178 total countries, 148 of which are World Bank Group client countries (see www.doingbusiness.org). - Enterprise surveys were conducted in 34 client-countries and West Bank & Gaza (see www.enterprisesurveys.org). - 203 private sector analytical pieces were completed in 86 client countries, spanning topics such as labor market assessments, microfinance, building competitiveness, sustaining growth in transition countries, etc. Business environment snapshots by country are publicly available online. (see http://rru.worldbank.org/BESnapshots) - In 2007, there were 235 active business enabling environment (BEE) projects in 70 client countries and 8 regions; as well as in West Bank and Gaza. These projects are varied in scope, addressing topics such as investment climate legislative reforms, the cost of doing business, taxation and customs, specific sector reforms, etc.
	MDB	8a-2) Number (%) of MDB country strategies approved in the previous year which include an explicit strategy to promote private sector development.	Description / Comments
	AsDB	21 of 24 country strategies (88%).	21 out of 24 country partnership strategies and country operations business plans approved in 2007 set directions and priorities for the promotion of private sector development.
	AfDB	6 of 8 country strategies (75%).	8 country strategy papers (including one country strategy update and one joint interim strategy note) were prepared in 2007.
	EBRD	10 out of 10 country strategies (100%).	Every country strategy is reviewed every 2 or 3 years and includes an explicit strategy to promote private sector development. A total of 10 Country Strategies (roughly a third of EBRD countries of operations) were approved in 2007, including the graduation paper of the Czech Republic. See: http://www.ebrd.com/about/strategy .
	IADB Group	7 of 7 country strategies (100%).	In 2006 the board approved 4 country strategies, and in 2007 it approved 3 country strategies. All of them have an explicit strategy to promote private sector development.

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CATEGORY 8

Private Sector Operations

Category 8: Private Sector Operations			
	MDB	8a-2) Number (%) of MDB country strategies approved in the previous year which include an explicit strategy to promote private sector development.	Description / Comments
	IsDB Group	N.A	Development of full fledged country assistance strategies is on hold awaiting a policy review of this approach. Currently, only a programming exercise is undertaken for a limited number of member countries in which non-sovereign/private sector/PPP projects are identified with the aim of promoting private sector participation in economic development.
	IFC	14 of 16 country strategies (88%).	Country strategies were completed in 16 client countries (this excludes progress reports and interim strategies). 14 of them included explicit strategies to promote private sector development.
	MDB	8a-3) Number (%) of MDB country strategies that have been informed by an independent evaluation ²⁸ of the MDB's private sector activities.	Description / Comments
	AsDB	4 of 4 country strategies (100%).	In 2007, country assistance program evaluations (CAPEs) were completed to support country strategy formulation for 4 developing member countries.
	AfDB	Not yet available.	OPEV did not undertake independent evaluation of the private sector portfolio. Three operations self-evaluation started in 2007 and were completed in 2008 by the private sector department (OPSM) with the assistance of OPEV.
	EBRD	10 out of 10 country strategies (100%).	A total of 10 Country Strategies were approved in 2007. All strategies are informed by and specifically refer to independent evaluations' lessons learned for the private sector activities.
	IADB Group	3 of 3 country strategies (100%).	3 out of 3 (100%) country strategies approved in 2007 were informed by various evaluations of private sector activities, carried out by the IADB's independent Office of Evaluation and Oversight (OVE).
	IsDB Group	N.A	This exercise is yet to be started (see indicator 8a-2).

²⁸ Here independent evaluation refers to an internal evaluation by the MDB's independent evaluation unit.

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CATEGORY 8 Private Sector Operations

Category 8: Private Sector Operations			
	MDB	8a-3) Number (%) of MDB country strategies that have been informed by an independent evaluation ²⁸ of the MDB's private sector activities.	Description / Comments
	IFC	12 of 16 country strategies (75%).	Of the 16 country strategies approved in FY2007, 12 were informed by an independent review. IEG-IFC conducts 3 types of evaluations (14 in total in FY07): field-based Country Impact Reviews (1), desk-based Country Evaluation Notes (3), and independent reviews of country assistance strategies (10). Two evaluations for FY07 strategies were completed in FY06, and 4 of the FY07 evaluations will inform future country strategies.
Subcategory 8b Private Sector Investment Projects: Ratings, Standards & Criteria	MDB	8b-1) Provide latest compliance score with good practice standards (GPS) for evaluation of private sector investment operations ²⁹ . Describe gaps and how they are being addressed.	Description
	All	8%-92%	<p>The Evaluation Cooperation Group (ECG), an alliance of MDBs, has established Good Practice Standards (GPS) for the evaluation of private sector operations with the goal to harmonize evaluation practices and standards, with the ultimate goal to make evaluation results of MDBs comparable. The first version of the GPS was issued in 2001 ("GPS-1"), the second in 2003 ("GPS-2"), and the third in 2006 ("GPS-3"). The ECG commissioned an external consultant to carry out two benchmarking exercises (the first against GPS-1 was completed in 2002, the second against GPS-2 in 2005, and a third against GPS-3 is scheduled for 2009). Results reported here are from the second benchmarking, which found scores ranging from 8% to 92% consistency. MDBs are reporting on how they have addressed gaps compared to GPS-2, and how they are preparing to meet GPS-3. GPS-3 classifies standards as follows:</p> <ul style="list-style-type: none"> - Good Practice Standards – lay down the key principles and are essential to compliance. - Best Practice Standards – reflect more detailed practices and are desirable, but not essential. - Experimental Standards – relate to indicators and benchmarks for rating business success. When they were originally proposed objections were raised by various MDBs on their resource implications and their usefulness. Thus, they are deemed experimental so that the MDBs can report back on their utility to the ECG.

²⁹ Refer to the latest Benchmarking Review of ECG Members' Evaluation Practices for their Private Sector.

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CATEGORY 8

Private Sector Operations

Category 8: Private Sector Operations			
Subcategory	MDB	8b-1) Provide latest compliance score with good practice standards (GPS) for evaluation of private sector investment operations ²⁹ . Describe gaps and how they are being addressed.	Description
8b Private Sector Investment Projects: Ratings, Standards & Criteria	AsDB	48%	Prior to the issuance of private sector evaluation guidelines by the Operations Evaluation Department, (OED, the department responsible for independent evaluation in AsDB), the compliance score was 48%. In 2006, OED started using the revised guidelines for evaluation of private sector projects adapted from ECG GPS. In 2007, AsDB was 90% compliant with the GPS criteria.
	AfDB	38%	The score has sharply increased from a low base of 8% in 2002, but still our practices met only 38% of the good practice harmonization standards as the Bank expects to implement its new guidelines that came into effect in 2005 and to begin reporting on findings after that. The upgraded ratings arise mainly from new guidelines. Discrepancies are mostly due to the fact that the Bank did not undertake any independent assessment of the quality of the portfolio, and does not detect early matured operations to be evaluated. Gaps will be addressed after the first round of independent evaluation reports, which are due to be completed during the 1st quarter 2008.
	EBRD	76%	During ECG's second benchmarking exercise which took place in 2004 and which was based on the Second Edition of the "MDB Good-Practice Standards (GPSs) for Evaluation of Private Sector Investment Operations" dated 18 April 2006, the EBRD compliance with the standards was assessed to be at 76%. Further improvements in application of the standards based on the Third Edition of the "MDB GPSs for Evaluation of Private Sector Investment Operations" have been implemented. These improvements resulted in a 94% compliance with the Good Practice Standards in 2006.
	IADB	8%	For the Non-Sovereign Guaranteed Operations of IADB, the latest Benchmarking Report (January 2005) concluded that IADB evaluation practices met 8% of the ECG-GPS, based on the fact that the IADB hadn't started the self-evaluation exercise in accordance with GPS at the time of the benchmark exercise. In 2006, IADB completed the first self-evaluation exercise and prepared 5 XSRs (Expanded Project Supervision Reports). In 2007, the IADB continues its self-evaluation exercise in accordance with 3rd the edition of the ECG-GPS.

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CATEGORY 8 Private Sector Operations

Category 8: Private Sector Operations			
Subcategory	MDB	8b-1) Provide latest compliance score with good practice standards (GPS) for evaluation of private sector investment operations ²⁹ . Describe gaps and how they are being addressed.	Description
8b Private Sector Investment Projects: Ratings, Standards & Criteria	IIC	82%	The latest Benchmarking Report (January 2005) of Walter Cohn concluded that IIC evaluation practices met 82% of the GPS. The score would improve if the IIC were to improve its assessments, tracking of development impact indicators and ensure the application of "Lessons Learned". IIC has adopted several measures to improve appraisal documentation. Officers are required to provide quantified estimates if possible for expected outcomes along with baseline data. Internal guidelines for use by investments officers to measure development outcomes and additionality at project appraisal were prepared. These guidelines comply with ECG evaluation standards. Furthermore, a scoring system under which each project would receive a development impact and additionality rating is under development. Each project will receive a rating at entry. During supervision, projects will be assigned a rating annually based on judgments regarding developmental performance. In 2007, a "Development Effectiveness and Corporate Strategy" Unit was created to take on the challenge of improving the Corporation's work on Developmental Impact and Additionality. The Unit includes two positions fully dedicated to Development Impact assessment, working in close coordination with the Engineering and Environment team.
	IsDB	Not yet available.	IsDB only recently became a member of the Evaluation Cooperation Group and thus did not participate in the 2005 benchmarking. This practice is under consideration as part of the IsDB private sector development strategy under development.
	ICD	Not yet available.	ICD has not started its self-evaluation exercise according to the ECG-GPS. The reason is that many of ICD's projects have not reached the maturity phase due to the short history of ICD's financing. However, many of the criteria mentioned in the GPS document are already considered by our investment officers. Appraisal of projects is mainly based on the development impact of the projects and guidelines are used by investment officers to quantify the development impact.

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CATEGORY 8

Private Sector Operations

Category 8: Private Sector Operations			
Subcategory	MDB	8b-1) Provide latest compliance score with good practice standards (GPS) for evaluation of private sector investment operations ²⁹ . Describe gaps and how they are being addressed.	Description
8b Private Sector Investment Projects: Ratings, Standards & Criteria	IFC	92%	<ul style="list-style-type: none"> – With a score of 92%, IFC's practices were determined to be the most in line with GPS-2 among the participant MDBs. All shortfall areas have been addressed or no longer apply. GPS-2: The 4 areas of non-compliance with the GPS 2nd edition related to: <ul style="list-style-type: none"> – Independence: The GPS require that the mandate of the independent evaluation group (IEG) states that it transmits its reports directly to the Board without management clearance or restrictions. While this was already established practice, IEG's mandate has since been adapted to explicitly state this. – Maturity: IFC's standards were judged non-compliant with respect to two aspects – maturity of financial markets projects and reporting on the maturity profile of evaluated projects. Both criteria have been refined in GPS-3, and IFC is now compliant. – Reporting on differences between IFC's practices and the GPS: IEG-IFC has done this already with respect to the second benchmarking review, and intends to do so for the upcoming benchmarking review in 2009. – GPS-3: IEG-IFC deems IFC's current practice compliant with 95% of all GPS-3 standards. All but one area of non-compliance relate to the experimental standards (IFC is 99% compliant with all other standards). IFC is compliant with 12 of 15 best practice standards.

MATRIX OF INDICATORS

CATEGORY 8 Private Sector Operations

Category 8: Private Sector Operations						
Subcategory 8b Private Sector Investment Projects: Ratings, Standards & Criteria	MDB	8b-2) Reported share of success ratings (%) in latest published annual evaluation reports ³⁰ for development/transition outcome and all 4 GPS criteria (financial performance, economic performance, environmental & social performance, private sector development impact). 8b-2a) Provide brief description of success standards for satisfactory ratings. ³¹ IMPORTANT CAVEAT: "Success ratings" are not comparable across institutions given differing evaluation systems, frameworks, and rating standards. For example, the extent to which institutions adhere to the Good Practice Standards for Private Sector Evaluation varies substantially (e.g. with respect to framework, sample selection, sample size, etc.). Furthermore, not all institutions have an independent evaluation group validate success standards. For sample sizes below 10, the number of projects is also reported.				
		Success Rate (%)				
		Development Outcome	Financial Performance	Economic Performance	Environmental & Social Performance	Private Sector Development Impact
	AsDB	100% (5 of 5 projects)	100% (4 of 4 projects)	100% (4 of 4 projects)	100% (4 of 4 projects)	75% (3 of 4 projects)
	AfDB	Not yet available.	Not yet available.	Not yet available.	Not yet available.	Not yet available.
	EBRD	57% (overall outcome)	65%	Not applicable (transition mandate)	87%	77% (transition outcome)
	IADB	100% (5 of 5 projects)	80% (4 of 5 projects)	100% (5 of 5 projects)	100% (5 of 5 projects)	100% (5 of 5 projects)
	IIC	65%	64%	59%	67%	81%
	IsDB and ICD	Not yet available.	Not yet available.	Not yet available.	Not yet available.	Not yet available.
	IFC	56%	50%	62%	71%	72%
MDB	Success Standards for Development Outcome					
Institutions with ECG rating scale: AsDB AfDB IADB IIC IFC	The development outcome rating is a synthesis of the overall impact of the project on the development of its host economy. A project's development outcome encompasses all effects on a country's economic and social development; as such it is a synthesis of all four performance areas: financial performance, economic performance, environmental and social performance, and private sector development impact. Development impacts are evaluated on a "with" versus "without" project comparison. Projects considered a "success" (i.e. rated mostly successful, successful, or highly successful) have a clear preponderance of positive aspects.					
	For IFC's detailed success standards, more information is available online at www.ifc.org/ieg .					
AfDB	For success standards see above (institutions with ECG rating scale). In April 2008, the evaluation guidelines will be applied to a sample of three operations in the context of a learning event. This will be the first time the AfDB will be applying the evaluation guidelines.					

³⁰ These 'success ratings' are not comparable across institutions given differing evaluation systems, frameworks, and rating standards.

³¹ Provide indicators and satisfactory standards (minimum, median, maximum), e.g. for financial performance of real sector projects, indicator: FRR, benchmark: WACC; for financial performance of financial market projects: indicator: return on equity, benchmark: cost of equity. MDBs can supplement this by providing references to additional documentation available elsewhere.

MATRIX OF INDICATORS

CATEGORY 8

Private Sector Operations

Category 8: Private Sector Operations		
Subcategory 8b Private Sector Investment Projects: Ratings, Standards & Criteria	MDB	Success Standards for Development Outcome
	EBRD (transition outcome)	<p>Of the Bank's portfolio of 732 projects ready for evaluation from 1996 until the end of 2006, 520 or 71% have been evaluated. This sample presented a rating for transition outcome of Satisfactory or higher in 77% of the cases and for environmental performance 87% in the same positive rating categories. Additionality of the EBRD in the evaluated projects amounted to 88% of the cases in the positive range. Project financial performance, which represents the projects' sustainability scored 65% in the rating categories Satisfactory or higher. Fulfillment of Project Objectives scored 73% in the positive range, while Bank Handling, which rating assesses how the EBRD project team has dealt with the project design and implementation scored 82% Satisfactory or higher. EBRD's investment performance was rated positive in 65% of the cases. Synthesizing the above 7 rating categories, an Overall Performance of Successful or Highly Successful was assigned in 57% of the cases, while a Partly Successful rating was assigned in 28% and an Unsuccessful rating in 15% of the cases.</p> <p>The EBRD Benchmarks in respect of evaluation performance rating categories provide a good brief description of success standards for satisfactory ratings. See EBRD's Evaluation Policy, Appendix 1 which is available on EBRD's Website for more details on all success standards (www.ebrd.com/projects/eval/showcase/evalpol).</p>
	IADB	<p>Highly satisfactory: A project with overwhelming positive development impacts, and virtually no flaws. Indicates the type of project IADB should use to illustrate the contribution of private sector development.</p> <p>Satisfactory: A project which may have some shortcomings, but with a clear preponderance of positive aspects. To justify the IADB support to the private sector.</p>
	IsDB	Not applicable as no evaluation was undertaken in 2007.
	ICD	Not applicable as no evaluation was undertaken in 2007.
	IFC	For IFC, success ratings above are based on 180 projects evaluated between 2004 and 2006. The corresponding success rates for all projects evaluated between 1996 and 2006 are 59% (development outcome), 46% (financial performance), 62% (economic performance), 67% (environmental and social performance), and 72% (private sector development impacts).
	MDB	Success Standards for Financial Performance
	AsDB	The project's contribution to business success is measured primarily by the real after tax financial internal rate of return (FIRR) that is compared to the real weighted average cost of capital (WACC) for the project entity to determine whether the project is covering its opportunity cost on capital employed. For a satisfactory rating, $FIRR > WACC >$ and $< WACC + 700$ bps.
	AfDB	<p>The financial rate of return (FRR) is used as one indicator. Several financial ratios could also be applied to evaluate the financial soundness of the business.</p> <p>Success standards for Investment Operations. Satisfactory: Project has a neutral to positive effect on profitability (or adequate overall profitability, i.e. satisfactory long-run return for promoter(s)).</p> <p>For Lines of Credit (LOC). Satisfactory: the LOC has a neutral to positive effect on profitability (or adequate overall profitability, i.e. satisfactory long-term return for the institution; and/or funds are substantially used for the agreed purposes.</p> <p>The guidelines indicate that the projected FRR set at appraisal (plus/minus 20%) will be used as standard benchmark for successful financial performance, i.e if FRR set at appraisal is 18% a successful financial performance would be in a range of 14.04% – 21.6 % or better.</p>

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CATEGORY 8 Private Sector Operations

Category 8: Private Sector Operations		
Subcategory 8b Private Sector Investment Projects: Ratings, Standards & Criteria	MDB	Success Standards for Financial Performance
	EBRD	The success standards is "indicators are in principle in line with appraisal estimates, but some problems (management, financial, economic, etc.) have been encountered that can influence the prospects of the project negatively." For more details see EBRD's Evaluation Policy, Appendix 1 which is available on EBRD's Website:(www.ebrd.com/projects/eval/showcase/evalpol).
	IADB	Highly Satisfactory: $FRR \geq WACC + 2.5\%$ Satisfactory: $FRR \geq WACC$ (* In the cases where WACC could not be calculated - i.e. Project Finance structured with "Special Purpose Companies"- , FRR should be used. The benchmarking should be applied as follows: Highly Satisfactory: FRR higher than expected (or higher than 12%). Satisfactory: FRR as expected (or between 10% and 12%). Since all the projects evaluated in 2006 were project finance types, their FRRs were compared with the pre determined benchmark. The FRR range was 8.9%-19.7% with a median of 14.3%.
	IIC	Where incremental costs and benefits can be quantified, the financial rate of return is the indicator. Where incremental costs and benefits cannot be quantified, the rate of return should be based on returns on invested capital (ROIC). Success standards: $FRR/IRR \geq 15\%$, or $ROIC \geq WACC$
	IsDB	Not applicable as no evaluation was undertaken in 2007.
	ICD	Not applicable as no evaluation was undertaken in 2007.
	IFC	Projects are considered successful in terms of financial performance when operations generated a project financial rate of return at least equal to the company's cost of capital (inclusive of a 350-basis-point spread to its equity investors over its lenders' nominal yield); for financial sector projects, the associated sub-portfolios or asset growth contributed positively to the intermediary's profitability, financial conditions, and business objectives. <ul style="list-style-type: none"> • Success standards vary by company. For the evaluation period 2004-2006 the real (i.e. inflation-adjusted) benchmarks ranged from 5.5-13.5%, with a median and average of 10%. • The average real FRR was 9.3% and the median 9.1%.
	MDB	Success Standards for Economic Performance:
	AsDB	A project's contribution to economic development is measured primarily by the ERR. The economic return on invested capital (EROIC) is used as a proxy for corporate loan and equity funding that is not targeted at specific capital investment projects, and expansion projects where the incremental costs and benefits cannot be separately quantified. For a satisfactory rating, ERR is $\geq 10\%$ but less than $< 20\%$. An ERR of $>20\%$ merits an excellent rating.
	AfDB	The project's contribution to economic growth is its economic rate of return (ERR) which measures (quantifiable) net economic benefits. However, at the stage where an XSR is normally conducted the ERR often cannot yet be calculated. Therefore, average growth in gross profit up until self-evaluation may be used as the indicator instead. Important factors to consider include but are not limited to the project's impact on domestic product or services through enhanced competition, new products, improved services, etc; stronger local entrepreneurship or enhanced private ownership; new technology, development of management skills, and employee training; upstream and downstream linkages to new or expanding local businesses; the company's governance quality, reputation and business practices as a positive corporate role model and quality investment asset.

MATRIX OF INDICATORS

CATEGORY 8

Private Sector Operations

Category 8: Private Sector Operations		
Subcategory 8b Private Sector Investment Projects: Ratings, Standards & Criteria	MDB	Success Standards for Economic Performance:
	AfDB	In addition to the quantifiable economic indicator, qualitative assessment is required to describe the project's main effects on living standards. For the Lines of Credit (LOC), Indicators such as Economic Rate of Return (ERR) and other proxies should be used to evaluate the LOC's contribution to economic growth. Success Standards for Investment Operations. Satisfactory: Project is economically viable and adequately contributed to the performance of the Company and beyond, with positive contribution to Living Standards. For Lines of Credit. Satisfactory: when most of the sub-projects are economically viable, they have made contribution to job creation, improved living standards and contributed to reduction of poverty; etc.
	EBRD	Not applicable.
	IADB	<p>Project Economic Viability.</p> <p>Highly satisfactory: For real sector: $ERR \geq 20\%$, For financial market: When the vast majority of sub-projects are economically viable, the project has made a substantial and widespread contribution to improving living standards or the project has substantially increased the efficiency of financial markets.</p> <p>Satisfactory: For satisfactory: $ERR \geq 10\%$, For financial market: When most of the sub-projects are economically viable or the project has positively influenced the efficiency of financial markets.</p> <p>Project Contribution to the Country's Living Standards.</p> <p>Highly Satisfactory: Quantitative measure: $ERR > FRR$ Qualitative measure: The project has helped to reduce the cost of goods and services for the population, improving consumer affordability; it has improved coverage and quality of service; improved health and safety of the affected population and the surrounding environment; and it has increased employment.</p> <p>Satisfactory: Quantitative measure: $ERR > FRR$ Qualitative measure: The project has some shortfall in one of the following areas: coverage and quality of service; health and safety affecting population and the surrounding environment; employment; cost of goods and service for the population.</p>
IIC	<p>The ERR is the best indicator of a project's contribution to economic growth, however, employment generation, foreign-exchange generation, value-added and other non-quantifiable costs and benefits are also considered. For corporate finance projects or for investments where incremental costs and benefits cannot be quantified, the economic return on invested capital (EROIC) is the indicator.</p> <ul style="list-style-type: none"> • Economic Rate of Return. Success Standard: $ERR/EROIC > 10\%$ • Employment Generation. Success standards vary by industry, between 4 and 1000 per million US-dollars invested. <p>Job creation is a key objective in most projects financed by the Corporation. However, job creation is not the only goal in a development strategy, and a labor-intensive project should not necessarily be preferred over a capital intensive one. The IIC measures job creation through the ratio between the number of jobs created and the dollar amount (in million dollars) invested in the project. Success standards vary by industry, ranging from 4 or more jobs for Utilities to 1000 or more jobs for free trade zones. (Other industries: telecom 8, manufacturing 15, fisheries 25, tourism 70, agribusiness 120).</p>	

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CATEGORY 8 Private Sector Operations

Category 8: Private Sector Operations		
Subcategory 8b Private Sector Investment Projects: Ratings, Standards & Criteria	MDB	Success Standards for Economic Performance:
	IIC	<ul style="list-style-type: none"> Foreign Exchange Generation/Savings. Success standard: At least US\$1 foreign exchange per US\$ invested. <p>A project's impact on the country's balance of payments is estimated through the project's net foreign exchange generation/demand. The analysis is made by calculating the net present value of annual net foreign exchange cash flows produced by the project. A ratio greater than 1 is indicative of a positive balance of payments effect. If the project's foreign-exchange generation cannot be separated from the company's revenues, the increase in foreign-exchange generation is the indicator.</p> <ul style="list-style-type: none"> Value-Added. Success standard: At least US\$2 per US\$ invested. <p>The contribution of a project to national wealth is measured by its impact on the country's GDP. All value-added by domestic companies in any given year represents the economy's GDP for that year. In order to measure the value-added contribution of a particular project, the net present value of its value-added streams is compared to the investment cost of the project. A ratio greater than 1 means that the project has a positive impact on a country's GDP.</p> <p>For the overall assessment and rating of a project's economic performance, both quantitative and qualitative effects are considered.</p> <p>Overall Success Standard: At least two of the quantified indicators are rated satisfactory.</p>
	IsDB	Not applicable as no evaluation was undertaken in 2007.
	ICD	Not applicable as no evaluation was undertaken in 2007.
	IFC	Where measurable, operations generated an economic rate of return of at least 10%. This indicator takes into account net gains or losses by non-financiers, but also considers unquantifiable impacts, and contributions to widely held development objectives. For financial markets projects, the success standard includes the project's and sub-project's effects on the local economy, taking into account economic distortions. For a satisfactory rating, the project has to have contributed to efficient asset allocation and/or most of the sub-projects have to be considered economically viable.
	MDB	Success Standards for Environmental & Social Performance
	AsDB	The project materially complies with key standards in host country laws and regulations and those set by AsDB at approval. Improved overall ESHS performance in expansion projects can reasonably be attributed to the project and AsDB participation.
	AfDB	<p>Environmental and social performance are evaluated against compliance with AfDB's specified standards/requirements at approval of the project and at the time of self-evaluation, i.e. those requirements that would apply if the project were approved today. It is the responsibility of the private financial institution to obtain accurate information on the sub-projects' environmental effects.</p> <p>Success Standards for Investment Operations. Satisfactory: The project is in material compliance with either AfDB's current or at-approval requirements regarding environment and social sustainability.</p> <p>For Lines of Credit. Satisfactory: the private financial institution and the sub-projects meet requirements for the type of operation.</p>
	EBRD	Success Standard: The appropriate environmental risk factors were properly identified and the sponsor is implementing the environmental action plan as prescribed.

MATRIX OF INDICATORS

CATEGORY 8

Private Sector Operations

Category 8: Private Sector Operations		
Subcategory 8b Private Sector Investment Projects: Ratings, Standards & Criteria	MDB	Success Standards for Environmental & Social Performance
	IADB	<p>Highly satisfactory (Real Sector): i) All appropriate environmental and social measures are taken into account and all environmental covenants are implemented. ii) The project: (a) fully complies with all ESHS requirements in the loan agreement and with IADB policies and local requirements; (b) has not produced any irreversible environmental problem; (c) directly or indirectly, reinforces positive environmental and social impacts and promotes "good practices"; (d) has demonstration effect or replicability in the country or the region and; (iii) The sponsor has developed additional services (infrastructure or community) raising industry standards.</p> <p>Satisfactory (Real Sector): (i) All relevant environmental and social measures are taken into account, all relevant environmental covenants are implemented and there are no significant outstanding issues regarding ESHS; (ii) The project: (a) did not produce any irreversible environmental problem; (b) has presented appropriate mitigation plans and; (iii) The borrowers comply with IADB transparency requirements related to information disclosure and public consultation.</p>
	IIC	<p>This indicator reflects project impact on the physical environment as well as on social, health, safety and resettlement factors, as applicable. IIC's policy requires that "IIC projects shall meet adequate environmental criteria consistent with IIC policies".</p> <p>Satisfactory: An EMS was in place at appraisal. Written procedures were available. Measures in order to prevent or mitigate environmental, social and operational health and safety impacts were being implemented. Training to employees on these matters was provided. Additionality was medium if financing is provided.</p>
	IsDB	There has been no evaluation of private sector projects in 2007. Environment aspects are however duly considered at the appraisal stage. Supervision verifies that the planned measures are actually implemented.
	ICD	ICD has not been able to fully apply the Equator Principles. However, studies conducted by consultants usually address the environmental concerns of the project and its impact on the surrounding environment. On many occasions, environmental consultants are hired to assess the social and environmental impact of projects. The final decision to pass a project is usually based on the consultant's recommendations.
	IFC	Operations met or exceeded IFC's environmental, social, health, and safety requirements and Bank Group policies and guidelines at approval, as well as local standards that would apply if the project were appraised today. IFC's current sustainability policy and performance standards, which have formed the basis of the Equator Policies is available at www.ifc.org/environment .
	MDB	Success Standards for Private Sector Development Impact
	AsDB	The project has a material positive and sustainable impact on the targeted and currently relevant PSD dimensions.
	AfDB	Important factors to consider include but not limited to project's impact on domestic product or services through enhanced competition, new products, improved services, etc; stronger local entrepreneurship or enhanced private ownership; new technology, development of management skills, and employee training; upstream and downstream linkages to new or expanding local businesses; the company's governance quality, reputation and business practices as a positive corporate role model and quality investment asset. Success Standards for Investment Operations. Satisfactory: the project had some, but no major positive impacts to the growth of private enterprises and to the enabling environment For Lines of Credit. Satisfactory: the LOC had some positive outcomes towards the growth of private enterprises and private sector development as well as financial market development.

MATRIX OF INDICATORS

CATEGORY 8 Private Sector Operations

Category 8: Private Sector Operations		
Subcategory	MDB	Success Standards for Private Sector Development Impact
8b Private Sector Investment Projects: Ratings, Standards & Criteria	EBRD	EBRD calls this indicator "transition impact". The success standard is "the project achieved acceptable progress toward a majority of the major relevant transition impact objectives, but did not make progress toward one major objective". For more details see EBRD's Evaluation Policy, Appendix 1, which is available on EBRD's website www.ebrd.com/projects/eval/showcase/evalpol .
	IADB	Highly satisfactory: Projects that (i) improved or supported a regulatory, institutional and legal framework that promote private sector investments to the sector and/or countries in a sustainable way as well as (ii) already achieved clearly evidenced demonstration effects Satisfactory: Projects that (i) improved or supported a regulatory, institutional and legal framework that promote private sector investments to the sector and/or countries, but there was no clear evidence that demonstration effects were achieved.
	IIC	Excellent: Considering its size, the project made a substantial contribution to the growth of small and medium size enterprises or the development of the private sector or the efficiency of financial markets beyond the company. Satisfactory: The project had some, but no major positive impacts.
	IsDB	Not available.
	ICD	ICD looks at a few qualitative as well as quantitative variables to assess the impact. For example, the impact on SMEs, the impact of a project in promoting competition, on privatization, and employment generation are some examples to decide whether the operation has had a positive impact on private sector development.
	IFC	Private sector development impact is rated successful if a project's private sector development impact beyond the project is positive, particularly its demonstration effect in creating a sustainable enterprise capable of attracting finance, increasing competition, and establishing linkages.
	MDB	8b-3) Describe steps taken to harmonize and adopt similar measurement approaches by the MDBs.
	Joint MDB Activities	The present COMPAS exercise is in itself an attempt to facilitate harmonization in practices by the MDBs. For the first time this year, COMPAS has been extended to include private sector indicators, which have been developed in consultation with all the participating MDBs. Also in 2007, all MDBs (and several other development finance institutions) participated in a comparative review of development results tracking and reporting conducted by an external consultant, Anders Grette (see www.ifc.org/result , IFC in context). The Evaluation Cooperation Group's (ECG) working group on private sector evaluation (WGPSE) promotes harmonization of evaluation practices and evaluative rigor among the MDBs. It meets twice annually and now addresses systematically at each meeting the progress and experience of each member in implementing the good practice standards. The working group has established a task force to help map each institution's evaluation framework to one another's, and to highlight where there are commonalities and therefore comparisons can already be made. Ongoing joint evaluation initiatives are designed to inform the harmonization process. The MDBs have made significant progress towards harmonization. The most recent assessment of compliance with GPS found that six of the seven participating institutions have taken steps to this end and that, overall, the MDBs' policies and practices were materially consistent with 59% of the good practice harmonization standards. Nonetheless, despite progress made, only four MDBs scored above 70% in the most recent assessment of their adoption of GPS. In 2006, the ECG issued the revised GPS in their 3rd edition. A review in 2009 will once again assess MDB compliance. Finally, a special Reflection Group was established by the Evaluation Cooperation Group (ECG). It studies the possibility of further harmonizing the rating categories applied by the evaluation departments of the MDBs.

MATRIX OF INDICATORS

CATEGORY 8

Private Sector Operations

Category 8: Private Sector Operations		
Subcategory 8b Private Sector Investment Projects: Ratings, Standards & Criteria	MDB	8b-3) Describe steps taken to harmonize and adopt similar measurement approaches by the MDBs.
	AsDB	<p>1. In February 2007, AsDB revised the evaluation guidelines for private sector projects to adhere to the Benchmarking Standards of the ECG for MDBs. Prior to this, evaluations had been carried out for private sector projects that had adopted guidelines to harmonize with approaches of other MDBs.</p> <p>2. The Operations Evaluation Department (OED) of AsDB adopted sampling guidelines against agreed Good Practice Standards (GPS) of ECG starting 2006.</p> <p>Adoption of Selection and Sampling of Non-Sovereign Operations (NSO) for Evaluation.</p> <ul style="list-style-type: none"> OED describes criteria and sampling methods used to identify NSO evaluations in its annual work plans and published reports. Selection of completed NSO's ready for evaluation is in accordance with the GPS of ECG. In preparing annual work plans for conducting reviews, OED (i) consults with the operations department for mature projects that can be the subject of extended annual review reports (XSRs), and (ii) identifies sampling procedures for validating XSRs and preparing Project Performance Evaluation Reports. <p>Phasing with Private Sector Operations Dept (PSOD).</p> <p>OED and PSOD have agreed to a phased implementation program. XSRs were completed as follows: (i) 30% in 2005 (3 out of 10 projects), (ii) 50% in 2006 (2 out of 4 projects) and (iii) 100% in 2007 (2 out of 2 projects).</p>
	AfDB	IFC will peer review the first evaluations to be undertaken by OPSM and OPEV which will be used as case studies in a learning event to be jointly organized with IFC.
	EBRD	The only gap (amounting to 6% of the GPS) that is remaining is the application of the rating benchmarks for a project's financial and economic rate of return, as well as rates of return benchmarks on equity investments. EBRD does not apply standards for minimally satisfactory expected performance for all EBRD's investments. Instead it looks at each investment proposal and independently applies a rate of return on each Board approved project, and not a minimum return standard applicable to all investments. However, all EBRD's investments must apply adequate sound banking standards, but sometimes riskier projects with lower expected return figures can be accepted by the Board in case the transition impact potential is high. In view of EBRD policy, this gap cannot be bridged. A special Reflection Group established by the ECG studies the possibility of further harmonizing the rating categories applied by the evaluation departments of the MDBs.
	IADB	In 2006, IADB completed the first self-evaluation exercise and prepared 5 XSRs in accordance with ECG-GPS. In 2007, IADB continues its self-evaluation exercise in accordance with 3rd edition of ECG-GPS. Furthermore, IADB is contemplating to adjust its result framework, so that ECG-GPS framework is applied to structuring and monitoring stages as well.
	IIC	IIC's self-evaluation and ex-post evaluation system is essentially harmonized to the private sector evaluation good practice standards (GPS) of the ECG.
	IsDB	<p>1. Private sector project documents will be revised to include the GPS measurement criteria.</p> <p>2. IsDB is currently co-financing private sector projects with other MDBs to improve exposure to the measurement approaches of other MDBs.</p>
	ICD	ICD is going through some structural changes. The new organizational setting is under discussion and some new departments may be created as a result. Guidelines and good business practices are taken into account in ICD strategy. An independent evaluation of the institution was conducted by a consultant in 2007 and its recommendations are under consideration by management. The organizational setting may be restructured based on the main recommendations of the independent evaluation study. A benchmarking analysis was also conducted in this study to compare ICD with other MDBs.

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CATEGORY 8 Private Sector Operations

Category 8: Private Sector Operations		
Subcategory 8b Private Sector Investment Projects: Ratings, Standards & Criteria	MDB	8b-3) Describe steps taken to harmonize and adopt similar measurement approaches by the MDBs.
	IFC	<p>IFC annually organizes a Development Results Measurement Conference for Advisory Services to promote knowledge sharing on development results measurement among the development community. This past year, the main theme was innovation in evaluation for development assistance. Key note addresses were delivered by academics and practitioners on topics such as the promise and pitfalls of evaluation methodologies, evaluation of access-to-finance projects, measuring the gender gap in private sector development, etc. 178 individuals attended, representing many organizations from amongst the development community including the Inter-American Development Bank, the Millennium Challenge Corporation, USAID, DFID, OECD, etc.</p> <p>IFC was asked to lead the development of private sector indicators for COMPAS, and sponsored a comparative review of development results measurement systems in private-sector oriented international financial institutions (available at www.ifc.org/results).</p> <p>In 2007, IFC has given numerous presentations on its development results measurement system, for example to MDBs, donors, bilateral development finance institutions and other interested parties, and has hosted similar presentations by several other institutions. IFC also participated in a conference on additionality sponsored by the European Development Finance Institutions (EDFI).</p> <p>IFC's Independent Evaluation Group is an active participant in the Evaluation Cooperation Group and conducts joint evaluations with other MDBs. For example, it is currently engaged with EBRD in two joint evaluation initiatives to further the harmonization process.</p>

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CATEGORY 8

Private Sector Operations

Category 8: Private Sector Operations					
Subcategory 8c Private Sector Investments: Results Tracking through the Project Cycle	MDB	8c-1) Number (%) of investment projects for which clear development results objectives according to the GPS evaluation framework ³² are: (1) defined at approval (2) tracked during supervision (3) assessed at evaluation.			Comments
		Defined at Approval (%)	Tracked during Supervision (%)	Assessed at Evaluation (%)	
	AsDB	100% (26 of 26 projects)	N.A.	100% (5 of 5 projects)	Approval and Supervision: A design and monitoring framework is included in each investment proposal for approval by the Board. The framework includes indicators to be used to monitor results of private sector projects. Systematic tracking of the results needs to be strengthened. Credit review of each borrower is performed quarterly supplemented by an annual review report for each account. Evaluation: From 2005-2007, OED conducted 4 project evaluation reports and one special evaluation study on private sector operations. The five evaluations were all based on the revised guidelines for private sector projects, based on ECG GPS.
	AfDB	66 % (2 of 3 evaluated)	Not yet available.	100% (3 of 3)	The guidelines require that development results be tracked at approval, supervision and evaluation. Although this is assessed in the course of the review process, the AfDB does not yet calculate these statistics in a systematic manner. In a sample of 3 operations that are due for evaluation, recent review has shown that development results at the time of approval are well defined for 2 operations.
	EBRD	338 in 2007 (100%)	1,189 at end 2007 (100%)	100%	It is EBRD policy to incorporate in every project transition impact objectives, which are monitored during the project life and evaluated ex-post.

³² Are development results objectives clearly specified ex-ante in early review documents with mandatory indicators for each of the 4 GPS development outcome components (financial performance, economic performance, private sector development impact, environmental & social performance)? Are these same indicators tracked in an ongoing manner during supervision? Are they assessed at evaluation? Provide an explanation of extent to which this is done, and number (%) of projects for which this is done.

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CATEGORY 8 Private Sector Operations

Category 8: Private Sector Operations					
Subcategory 8c Private Sector Investments: Results Tracking through the Project Cycle	MDB	8c-1) Number (%) of investment projects for which clear development results objectives according to the GPS evaluation framework ³² are: (1) defined at approval (2) tracked during supervision (3) assessed at evaluation.			
		Defined at Approval (%)	Tracked during Supervision (%)	Assessed at Evaluation (%)	Comments
	IADB	N.A.	N.A.	100% (5 of 5 evaluated projects)	<p>For all projects at approval, IADB has been conducting analysis on project's financial performance, economic cost and benefit, potential impact on the sector, and environmental and social performance. Particularly, in addition to ERR calculation, a logical framework has been provided since 2004 to measure development outcome and impact of projects, with emphasis on project's contribution to economic development. Likewise, IADB has been conducting monitoring activities focusing on the financial, environmental and economic aspects of the project through project supervision reports (PSRs) and on the contribution to economic development through Project Performance Monitoring Reports (PPMRs). However, these efforts have not been explicitly organized in accordance with the ECG-GPS evaluation framework. For the evaluation, for the first exercise of XSRs in 2006, IADB covered 50% of the projects among those reached at the early operating maturity based on ECG-GPS.</p> <p>Currently, IADB is contemplating to adjust its result framework at the approval and development result monitoring instruments so that they are fully compatible with ECG-GPS. At the approval stages, the performance indicators continue to be identified with baselines and targets, if appropriate, in accordance with the four dimensions of ECG-GPS, and they will be tracked every year as a part of project supervision exercise.</p>

MATRIX OF INDICATORS

CATEGORY 8

Private Sector Operations

Category 8: Private Sector Operations					
Subcategory 8c Private Sector Investments: Results Tracking through the Project Cycle	MDB	8c-1) Number (%) of investment projects for which clear development results objectives according to the GPS evaluation framework ³² are: (1) defined at approval (2) tracked during supervision (3) assessed at evaluation.			
		Defined at Approval (%)	Tracked during Supervision (%)	Assessed at Evaluation (%)	Comments
	IIC	100% (60 of 60 projects)	N.A.	100% (15 of 15 evaluated projects)	<p>Approval and Supervision: In line with MDB best practices, the IIC uses a development outcome and additionality matrix as a common instrument for improving project selection and design as well as the appraisal and monitoring of development impacts and additionality features. The matrix tool was adopted as a way to establish an integrated approach to measuring and monitoring additionality and development impact in IIC operations.</p> <p>The additionality and development outcome matrix makes it possible to identify and provide ex ante expected development outcomes even when they cannot be quantified. It contains an explicit set of developmental outcome and additionality indicators that identify the range of possible impacts resulting from IIC-financed projects. The matrix therefore serves as a guide to investment officers for determining which indicators are particularly relevant to individual projects. Selected indicators are described and expected impacts are quantified to the extent possible. This approach was designed to better explain in Board documents the benefits and additionality of each and every transaction presented for approval. Development indicators were not systematically tracked during supervision.</p> <p>In 2007, IIC has developed the Development Impact and Additionality Scoring" system (DIAS) which will be implemented in 2008. DIAS will replace the Development Outcome and Additionality Matrix. DIAS will be used over the life of each project and is consistent with the GPS. DIAS will be applied throughout the project cycle. Investment officers will collect information on development indicators at appraisal.</p>

MATRIX OF INDICATORS

CATEGORY 8 Private Sector Operations

Category 8: Private Sector Operations					
Subcategory 8c Private Sector Investments: Results Tracking through the Project Cycle	MDB	8c-1) Number (%) of investment projects for which clear development results objectives according to the GPS evaluation framework ³² are: (1) defined at approval (2) tracked during supervision (3) assessed at evaluation.			
		Defined at Approval (%)	Tracked during Supervision (%)	Assessed at Evaluation (%)	Comments
	IIC				The officer will select the appropriate indicators which will be monitored during supervision. As a result, in 2008 100% of the projects will be tracked during supervision. Evaluation: IIC evaluates 100% of the projects which have reached early maturity.
	IsDB	Not yet available.	Not yet available.	Not yet available.	Development results are defined at appraisal but without following the GPS framework (see comments under 2-3). Assessment of development results in subsequent phases still needs to be addressed.
	ICD	90%	Not available.	Not available.	The development results of ICD's operations are mostly consistent with the GPS evaluation framework. The percentage indicated is based on the common factors available in the GPS framework and ICD's own criteria.
	IFC	100% (237 of 237 approved projects)	100% (1,176 of 1,176 projects in supervision)	100% (65 of 65 evaluated projects)	Approval and Supervision: IFC Development Outcome Tracking System (DOTS) enables IFC to track the development results of all active operations continuously throughout the project life. Using a similar evaluation framework as that used by the independent evaluation group, DOTS has enhanced IFC's results measurement agenda by both expanding the evaluation scope to the entire portfolio and shortening the time lag for evaluation. DOTS also specifies clear development results expectations ex-ante and allows IFC to track the reach of its operations during supervision. For example, in 2006, IFC's clients had a portfolio of 5 million MSME loans worth \$57 billion, served 9.5 million electricity, 15.3 million water, and 53 million new phone customers, and treated 4 million hospital patients and educated 350,000 students.

MATRIX OF INDICATORS

CATEGORY 8

Private Sector Operations

Category 8: Private Sector Operations					
Subcategory 8c Private Sector Investments: Results Tracking through the Project Cycle	MDB	8c-1) Number (%) of investment projects for which clear development results objectives according to the GPS evaluation framework ³² are: (1) defined at approval (2) tracked during supervision (3) assessed at evaluation.			
		Defined at Approval (%)	Tracked during Supervision (%)	Assessed at Evaluation (%)	Comments
	IFC				<p>DOTS ratings exclude some project approvals, which are tracked as part of a different project with the same company – the lead project. Furthermore, there are some projects for which development results are tracked on a program rather than a project basis. DOTS ratings are closely correlated with more in-depth evaluations by IFC's Independent Evaluation Group (IEG).</p> <p>Evaluation: In 2007, IEG conducted in depth evaluations of 65 projects and all apply the GPS framework. This random representative sample of 65 projects constitutes 51% of the population of 2002 approvals that had reached early operating maturity.</p>
	MDB	8c-2) Number (%) of projects for which additionality is: (1) assessed at approval (2) tracked during supervision (3) evaluated.			
		Assessed at Approval (%)	Tracked during Supervision (%)	Evaluated (%)	Evaluated (%)
AsDB	100%	N.A	100%	Systematic tracking of additionality needs to be implemented.	
AfDB	100% (3 from a sample of 3 projects due for evaluation)	Not yet available.	100% (3 from a sample of 3 projects due for evaluation).	The guidelines require that development results be tracked at approval, supervision and evaluation. Although this is assessed in the course of the review process, the AfDB does not yet calculate these statistics in a systematic manner. In a sample of 3 operations that are due for evaluation, recent review has shown that additionality as defined in the guidelines is covered at approval but needs to be improved.	
EBRD	100%	N.A	100%	Additionality is tested at project approval and evaluated ex-post by the EBRD evaluation department. Additionality is reviewed during supervision but cannot be tested at all times for all projects.	

MATRIX OF INDICATORS

CATEGORY 8 Private Sector Operations

Category 8: Private Sector Operations					
Subcategory 8c Private Sector Investments: Results Tracking through the Project Cycle	MDB	8c-2) Number (%) of projects for which additionality is: (1) assessed at approval (2) tracked during supervision (3) evaluated.			
		Assessed at Approval (%)	Tracked during Supervision (%)	Evaluated (%)	Evaluated (%)
	IADB	100% (10 of 10 approved projects*)	N.A.	100% (5 of 5 evaluated projects)	At approval, all project proposals analyze additionality, in terms of (i) financial, (ii) regulatory, (iii) environmental, social, health and safety, (iv) catalytic and demonstration effect and (v) corporate governance. During the supervision stage, although some additionality elements are monitored, they are done in more ad hoc basis. The additionality elements are evaluated at the time of evaluation in accordance with the guideline based on ECG-GPS. For the first exercise of XSRs in 2006, IADB covered 50% of the projects among those reached at the early operating maturity. * Except Issuing Bank Credit Lines under the Trade Finance Facilitation Program, which is assessed overall Program basis.
	IIC	100% (60 of 60 projects)	N.A.	100% (15 of 15 evaluated projects)	See 3-1
	IsDB	0%	23% (6 of 26 projects)	0%	So far, no project has had an explicit assessment of additionality at approval. Some projects have been assessed for additionality during supervision. No private sector project has yet been independently evaluated after completion.
	ICD	100%	N.A.	N.A.	ICD pays great attention to additionality especially at the approval phase. However, it has not been able to track it during supervision and evaluation yet.
	IFC	100% (237 of 237 approved projects)	Not yet available.	100% (65 of 65 evaluated projects)	IFC's additionality is comprehensively reviewed for all projects at approval. While IFC's additionality is usually again reviewed during project supervision, to date there is no systematic tracking. Going forward, IFC will work to enhance the regular monitoring of additionality. IFC's additionality ("role and contribution") is again assessed for all projects that are evaluated.

MATRIX OF INDICATORS

CATEGORY 8

Private Sector Operations

Category 8: Private Sector Operations			
Subcategory	MDB	8c-3) Number (%) of portfolio projects supervised by environmental/social specialists ³³	Comments
8c Private Sector Investments: Results Tracking through the Project Cycle	AsDB	100% (26 of 26 projects)	All projects are classified according to the degree of social and environmental impacts expected, and initiative measures are agreed at approval. All projects are reviewed by PSOD environment and social specialists, with participation in missions that require more detailed assessment as part of due diligence. AsDB social and environmental specialists review annual monitoring reports that are required to be submitted by clients to assess the effectiveness of social and environmental management plans.
	AfDB	Not yet available	OPSM is increasing its focus on environmental considerations of the private sector portfolio. Although a comprehensive assessment of the portfolio from the point of view of its requirement in terms of environmental supervision is yet to be carried out, in 2007, five projects were supervised by environmental specialists.
	EBRD	1,189 projects (100%)	100%, i.e. all the projects that require environmental supervision are supervised through reviewing reports prepared by EBRD clients, which they have to prepare once a year. In 2007, 115 due diligence and monitoring visits were undertaken by EBRD staff to 85 projects in 22 countries.
	IADB	100% (48 of 48 projects)	For 48 projects in 2007 portfolio, all of them were supervised by environmental and social specialists. The Monitoring Reports were reviewed annual, semi-annual or quarterly basis for all the projects as well. In addition, 13 site visits were conducted for 11 projects.
	IIC	100% (153 of 153 projects)	Each project at all stages of the project cycle is supervised by the environmental specialist.
	IsDB	19% (5 of 26 projects)	For projects co-financed with other MDBs which have explicit environmental/social review requirements.
	ICD	N.A	ICD usually addresses environmental concerns at the approval stage. If the need arises, independent consultants are hired to supervise projects.

³³ Specify (%) of projects supervised by environmental/social specialists from amongst projects with potential environmental & social effects. Describe extent of supervision, e.g. field visit, review of monitoring report, standards against which companies are being assessed, etc.

MATRIX OF INDICATORS

CATEGORY 8 Private Sector Operations

Category 8: Private Sector Operations															
Subcategory	MDB	8c-3) Number (%) of portfolio projects supervised by environmental/social specialists ³³	Comments												
8c Private Sector Investments: Results Tracking through the Project Cycle	IFC	100% (1,050 of 1,050) have an environmental specialist on the project team. In FY07, field visits were conducted for 155 (15%) and Annual Monitoring Reports were reviewed for 400 (38%).	<p>IFC takes a risk based approach to managing the environmental and social risk of projects. Projects that have a higher degree of risk or that are performing poorly receive a higher degree of attention than those with less risk that are performing well.</p> <p>All projects where IFC has active investments are supervised with the exception of category C projects (which by definition do not have environmental and social risk), and some projects in litigation or liquidation where IFC may not have access to the site or to environmental and social information. All projects in the portfolio have an assigned team including an environmental and/or social specialist as required. IFC supervises projects through the following activities: desk reviews of Annual Monitoring Reports (AMRs) received from clients, visits to clients' premises and in some cases phone interviews.</p> <p>Projects are supervised against the requirements specified in their legal documents. Most of IFC's current portfolio consists of projects following the World Bank Group Safeguard Policies and the guidelines in the 1998 Pollution Prevention and Abatement Handbook. The first of the projects processed under the April 30, 2006 Performance Standards are just now entering their first year of supervision. Some of these projects would be required to have their AMR either completed or verified by a qualified external party.</p> <p>At the beginning of 2007, IFC implemented a new framework of determining the frequency of supervision site visits which is based upon the Environmental and Social Risk Rating (ESRR). This is a tool used by IFC to estimate the potential environmental and social risk and also includes the performance of the investments. The ESRR is attributed at a company level (i.e. a company with several projects in the portfolio will have one ESRR score, ranging from 1 – best to 4 – worst). The category in combination with the ESRR is then used to determine the supervision site visit frequency as follows:</p> <table border="1"> <thead> <tr> <th>Priority supervision visit</th> <th>Frequency</th> </tr> </thead> <tbody> <tr> <td>Category A companies with projects in construction</td> <td>Annually</td> </tr> <tr> <td>Category A or B companies with ESRR of 3 or 4</td> <td>Annually</td> </tr> <tr> <td>High-risk financial intermediary (FI) projects</td> <td>Annually</td> </tr> <tr> <td>Category A companies with ESRR of 1 or 2</td> <td>Every 2 years</td> </tr> <tr> <td>Category B companies with ESRR of 1 or 2</td> <td>Every 3 years</td> </tr> </tbody> </table>	Priority supervision visit	Frequency	Category A companies with projects in construction	Annually	Category A or B companies with ESRR of 3 or 4	Annually	High-risk financial intermediary (FI) projects	Annually	Category A companies with ESRR of 1 or 2	Every 2 years	Category B companies with ESRR of 1 or 2	Every 3 years
Priority supervision visit	Frequency														
Category A companies with projects in construction	Annually														
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High-risk financial intermediary (FI) projects	Annually														
Category A companies with ESRR of 1 or 2	Every 2 years														
Category B companies with ESRR of 1 or 2	Every 3 years														

MATRIX OF INDICATORS

CATEGORY 8

Private Sector Operations

Category 8: Private Sector Operations									
Subcategory 8c Private Sector Investments: Results Tracking through the Project Cycle	MDB	8c-3) Number (%) of portfolio projects supervised by environmental/social specialists ³³			Comments				
	IFC				This supervision strategy ensures that on a rolling 3 year basis, companies in the portfolio are visited at least once, notwithstanding that AMRs should be sent annually by the client. A specialist can also make a determination that additional site visits are needed. As of November 11, 2007, IFC's portfolio included a total of 1,299 companies. Out of this portfolio, a total of 1,050 companies would be included in the frame of having some level of environmental and/or social risk. This figure would not include Category C projects or Companies with an IFC outstanding balance of \$0 or projects that are in liquidation or litigation. In FY07, a total of 400 AMRs were sent to IFC by clients and 155 projects were physically visited.				
Subcategory 8d Reporting on Private Sector Development Results	MDB	8d-1) Comprehensiveness of external results reporting (check all that apply): (1) Based on: (a) entire portfolio, (b) random, representative sample (describe selection), (c) other (describe selection), (d) not at all. (2) Coverage includes: (a) development outcome, (b) components of development outcome ³⁴ , (c) additionality, (d) work quality.							
		Comprehensiveness				Coverage			
		Entire Portfolio	Random Sample (Describe Selectio)	Other (Describe Selectio)	Not at all	Develop ment Outcome	Compo- nents of Develop- ment Outcome	Addition- ality	Work Quality
	AsDB		√			√	√	√	√
	AfDB			√		√	√	√	√
	EBRD	√	√			√	√	√	√
	IADB		√	√		√	√	√	√
	IIC	√				√	√		√
	IsDB				√				
	ICD				√				
IFC	√	√			√	√	√	√	
	Comments								
AsDB	XSR selection: Since 2005, AsDB's Operations Evaluation Department has done random selection of projects for preparation of Extended Annual Review Report (XSR) as required by GPS. The target is to move to a 100% completion by 2008. To attain this, the following criteria are being followed by OED for selection of a project for XSR preparation for a given year: <ul style="list-style-type: none"> • The project would have been substantially completed; • The project would have generated at least 18 months of operating revenues for the company; • AsDB would have received at least one set of audited annual financial statements covering at least 12 months of operating revenues generated by the project; and • The project has not been included in the previous year's population of private sector projects for XSR preparation. Evaluation by OED: Since 2006, OED already started using revised guidelines for preparing performance evaluation reports on non-sovereign operations, as adopted from the ECG GPS.								

³⁴ Refers to 4 GPS components (GPS 4.3): financial, economic, social & environmental performance, and private sector development impact.

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CATEGORY 8 Private Sector Operations

Category 8: Private Sector Operations		
Subcategory 8d Reporting on Private Sector Development Results	MDB	8d-1) Comprehensiveness of external results reporting
		Comments
	AfDB	Sample selection: General: All projects that have reached maturity stage (at least 18 months after project implementation). According to AfDB Guidelines, different methodologies, depending on the type of operations, investment or line of credit, are applied to determine the cohort of operations to be evaluated. For the evaluations to be conducted in 2008, for example, the selection criteria being considered include the type of operation (direct investment operations, line of credit, or equity) and priority will also be given to the wealth of lessons, which the project is expected to yield.
	EBRD	Evaluation Project reports through structured sampling methodology which leads to a representative sample of EBRD's portfolio as a whole. In respect of (1) and (2) above see EBRD's Annual Evaluation Overview Report for 2007, Appendix 8 (posted on EBRD's Website) for a description of the performance evaluation rating methodology. Some performance aspects are reported for the entire portfolio in EBRD's Annual Evaluation Overview Report.
	IADB	For the monitoring of development outcome of projects, a summary of ratings on the expected achievement of development outcome of all projects approved after 2003 are reported in the Bank's Development Effectiveness Overview Report, which is made public: http://idbdocs.IADB.org/wsdocs/getdocument.aspx?docnum=1003882 . For the evaluation of projects, summary of ratings on all four areas (development outcome, IADB's profitability, additionality and IADB's work quality), validated by Office of Evaluation, are made public. "Random sample" applies for self-evaluation, "other" sample selection applies for development outcome monitoring. For the summary of the report, please go to the website of the Office of Evaluation (www.IADB.org/ove).
	IIC	In 2006, for the first time, a summary of the 2006 Evaluation Findings was posted on IIC's external website. The summary included information on development outcome, the components of development outcome, and work quality. Then, IIC's additionality was still considered within "Work Quality". In line with the GPS 3, in 2007, IIC will report on Additionality separately.
	IsDB	No result evaluation (post completion) is available at this time. Plans are underway to include private sector projects in the evaluation by the same public sector project evaluation group of the Bank starting from 2008. Summarized results would be available in the IsDB Annual Report.
	ICD	ICD has been established in 2000. Many of its projects have not been completed yet and very few have reached maturity. Those that have reached maturity will be assessed one year after their completion.
	IFC	Development results tracking: Entire portfolio. IFC reports success ratings for development outcome and all 4 GPS performance criteria for its entire portfolio based on DOTS. The reporting for IFC's 2007 Annual Report (www.ifc.org/annualreport) focused on 469 projects approved between 1998 and 2003 that are still active in our portfolio, in order not to include investments that are either too immature to measure results reliably or too old and thus less relevant for today's operations. However, some indicators (e.g. reach indicators such as services provided by IFC's client companies) are reported for the entire portfolio in supervision. DOTS results are very similar to results from independent evaluations. Independent Evaluation: Random sample. Every year, IFC's Independent Evaluation Group (IEG) conducts an in-depth evaluation of a randomly selected sample of projects. The sample is randomly selected from those projects that were approved 5 years earlier and have reached early operating maturity. The selection of what represents over 50% of all such projects ensures proportional distribution of the evaluations among departments.

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CATEGORY 8

Private Sector Operations

Category 8: Private Sector Operations			
Subcategory 8d Reporting on Private Sector Development Results	MDB	8d-1) Comprehensiveness of external results reporting	
		Comments	
	IFC	The Independent Evaluation of IFC's Development Results 2007 report (www.ifc.org/ieg) marked the 10th year of such reporting, and the sample consisted of 627 projects that were evaluated between 1996 and 2006, representing 51% coverage of all qualifying investment operations. Usually, IEG's annual reports are based on all evaluations that occurred within the 3 prior years. The development success ratings reported in 2-2 were for 180 projects evaluated between 2004-2006, these were selected randomly and represented 53% coverage of all qualifying operations.	
	MDB	8d-2) Validation mechanism for external reporting and tracking of development outcomes ³⁵ (yes/no, describe)	Describe
	AsDB	Yes	In 2007, OED started validation of all XSRs for the private sector. Reports will be posted on the AsDB website in 2008.
	AfDB	Not yet conducted.	OPEV's role according to the guidelines is to validate the ratings provided by the operations and to track the development outcomes of the operations. This will be done in the future.
	EBRD	Yes	Yes, reporting completed by the independent evaluation unit.
IADB	Yes	<p>The result of monitoring of development outcome of the projects is validated by the unit within Management, which is independent from the operating department.</p> <p>The summary of results of development outcome monitoring is made public through the Development Effectiveness Report.</p> <p>The results of the self-evaluation of the projects are validated by the Office of Evaluation as an independent evaluation unit, and the summary of ratings are reported to outside of the Bank.</p>	

³⁵ Otherwise specify: (1) no reporting, (2) self-reporting by management, (3) reporting validated by independent evaluation unit, (4) reporting validated by external party.

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CATEGORY 8 Private Sector Operations

Category 8: Private Sector Operations				
Subcategory 8d Reporting on Private Sector Development Results	MDB	8d-2) Validation mechanism for external reporting and tracking of development outcomes ³⁵ (yes/no, describe)		Describe
	IIC	Yes		Evaluation is organized around two functions: self-evaluation and independent evaluation. Self-evaluation is performed by IIC, while independent evaluation is carried out by the IADB's Office of Evaluation and Oversight (OVE). The basic self-evaluation tool is the "Expanded Annual Supervision Report" (XASR). To date, IIC has prepared over one hundred XASRs of its projects which covers about one half of the total number of projects committed and disbursed through to 2002. OVE has validated all of the XASRs and prepared annual reports to IIC's Executive Board which summarizes results. In validating the XASRs, OVE reviews the adequacy, coverage, and quality of evaluation processes within IIC, and their contributions to corporate learning and accountability. For the first time in 2006, a summary of the 2006 Evaluation Findings was posted on IIC's external website. More information is available on IIC's website (see: http://www.iic.int/information/Independent_Evaluation_Report_ENG.pdf)
	IsDB	No		Not available – see indicator 8d-1.
	ICD	No		ICD usually conducts self-evaluation. Independent evaluation has not been conducted, except for the institution itself.
	IFC	Yes		IFC's FY07 Annual Report broke new ground by providing comprehensive development results information on IFC's entire portfolio. An external assurance provider reviewed the quality and accuracy of the development results reported in IFC's Annual Report (for the assurance statement see www.ifc.org/annualreport). Such external assurance provision is a first among MDBs. A comprehensive Independent Evaluation of IFC's Development Results was published by IFC's Independent Evaluation Group (IEG). IEG is independent from IFC's management and reports directly to IFC's Board. For more information, see www.ifc.org/ieg
Subcategory 8e Institutional Learning from Private Sector Operational Experience	MDB	8e-1) Is there a formal mechanism to routinely feed synthesis development results into: (1) strategy, (2) new operations? (yes/no, describe).		
		Strategy	New Operations	Description
	AsDB	Yes	Yes	Feedback from country partnership strategies, sector assessments, and OED reports, among others, together with continuous exchanges with operational departments represent mechanisms through which private sector operations are informed, implemented and supervised.
	AfDB	Yes	Yes	Appraisal documents for private sector operations are designed to contain a section, which highlight the lessons learned from experience and how they are taken into account in the design of the new operations. The format of the country strategy papers also provides a section on lessons learned from the implementation of previous country strategies and how they are taken into account. These sections are prepared taking into account the evaluation synthesis prepared by OPEV.
	EBRD	Yes	Yes	Yes, for both: independent evaluation, credit and transition monitoring of existing operations feeds into country and sector strategies and into all new operations.

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CATEGORY 8

Private Sector Operations

Category 8: Private Sector Operations				
Subcategory 8e Institutional Learning from Private Sector Operational Experience	MDB	8e-1) Is there a formal mechanism to routinely feed synthesis development results into: (1) strategy, (2) new operations? (yes/no, describe).		
		Strategy	New Operations	Description
	IADB	Yes	Yes	For Strategy, please see the description on the IADB sovereign guaranteed operations. For new operations, Loan/Guarantee proposal is required to contain lessons learned from the previous operations.
	IIC		Yes	A "Lessons Learned Database" was created. Lessons Learned are derived from analysis of XASRs and are grouped by sector and subject. New Lessons Learned will be added to the database as they are identified. Investment officers are required to check the Lessons Learned database at project appraisal in order to incorporate past experiences. A web-based system for internal clearance of non-credit issues associated with new projects was introduced. Investment officers are supposed to check the "Lessons Learned Database" before appraising a new operation.
	IsDB	NA	No	Achievement of development results is "informally" monitored during project supervision and is fed into the preparation of new projects in the form of "lessons learned" (in particular a special section is allocated to that subject in the appraisal reports).
	ICD	Yes	Yes	ICD management, on a regular basis, discusses the success and failure of its operations in different countries. The results of the discussions are being reflected in the short term (annual operation) as well as in the organization's long term strategy.
	IFC	Yes	Yes	The principal vehicle for informing strategy is the Strategic Directions Paper. IFC analyzes results from the development outcome tracking system (DOTS), as well as the findings by the independent evaluation group (IEG), seeking lessons on how to enhance IFC's development effectiveness. IEG deliberately times the delivery of the annual Independent Evaluation of IFC's Development Results ahead of the Strategic Directions Paper so that management and the strategy department are informed by its findings. Lessons learned are also discussed at annual departmental strategy meetings which feed into the Strategic Directions Paper. Informed by project-level and aggregate results, and other factors such as a sector's growth prospects, market trends, and demand for services, IFC adapts its activities. For example, based on the high potential for poverty reduction, IFC has this year added agribusiness to its strategic sectors. More information is available on IFC's website (see http://www.ifc.org/results).

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CATEGORY 8 Private Sector Operations

Category 8: Private Sector Operations		
Subcategory 8e Institutional Learning from Private Sector Operational Experience	MDB	8e-2) Is there a system for capturing lessons from project evaluations and applying them to new projects? (yes/no, describe).
	AsDB	Yes One of OED's main objectives is to help AsDB become a learning organization that continuously improves its development effectiveness. This is done by feeding lessons, findings, and recommendations of past evaluations into ongoing and future AsDB operations. The Evaluation Information System or EVIS aims to assist OED's clients in easily acquiring the evaluation information relevant to their work.
	AfDB	Yes Appraisal documents for private sector operations are designed to contain a section, which highlight the lessons learned from experience and how they are taken into account in the design of the new operations.
	EBRD	Yes Yes, such system exists. Lessons learned are gathered and presented in the Lessons Learned Database which is accessible by all staff involved in operations. Each Board report contains a section on "Lessons from past experience" which section must refer to lessons used and remedies proposed in the project for presentation to the Board. If the section is of low quality, then the Evaluation Department requests rewriting of the section before the report is presented to the Board of Directors.
	IADB	Yes Lessons learned are identified through the projects monitoring reports and self-evaluation reports. Then, they will be reflected in loan/guarantee proposal of new projects. The IADB has a bank wide system to pool and share the lessons learned through the operations and possibility of including the lessons learned of the NSG operation is under consideration. Please also see the description of the IADB's sovereign guaranteed operations.
	IIC	Yes Check "Lessons Learned Database".
	IsDB	No Since no independent post completion evaluation has been undertaken so far, only lessons learned from monitoring of achievement of development results during supervision are fed into project preparation (see indicator 8e-1).
	ICD	Yes One of the main objectives of ICD is to be a knowledge institution. A mechanism to do so is self-evaluation and benchmarking the performance against best business practices in other MDBs. There are plans to create a section within the new MIS system for reference to lessons learned in projects. On some occasions, lessons learned are discussed at staff gatherings.
	IFC	Yes Lesson Capture: Investments: Two to four lessons are submitted with each of about 50-70 expanded project supervision reports (XSRs) that are prepared in a given calendar year. These lessons are saved in IFC's document management system (iDocs) and are available to IFC staff. Lessons are also added to the Independent Evaluation Group's (IEG) Lessons Retrieval Network, a searchable lessons database (which is currently being revamped). IEG also maintains a database of good practice XSRs which are accessible to staff. IEG also operates a help service with a dedicated phone number and e-mail address and responds to specific requests for lessons from IFC staff. Advisory services, IFC has launched a "Smart Lessons" database with an award program for staff supplying lessons. To date, 171 lessons have been entered. Application: IFC staff are prompted to include comparisons with other IFC projects and lessons learned at the early review stage for each new IFC project. IFC also incorporates lessons into training programs, including the IFC Credit Course which is a requirement for all new investment staff.

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CATEGORY 8

Private Sector Operations

Category 8: Private Sector Operations			
Subcategory 8e Institutional Learning from Private Sector Operational Experience	MDB	8e-3) Number (%) of accepted recommendations ³⁶ by the independent evaluation unit which have been implemented by management.	
		Number (%)	Comments
	AsDB	Project evaluation: 1 of 1 recommendation (100%) Special Evaluation Study: 5 of 6 recommendations (83%)	With commencement of independent reporting by OED to the AsDB Board of Directors in 2004, the role of AsDB's Management shifted from approving evaluation reports to responding to and deciding on actions AsDB should take with respect to OED recommendations and implemented 7 out of 8 recommendations. During 2005-2007, there were 4 private sector evaluations of specific- projects and one special evaluation study of private sector operations. Three of the projects had no follow-up actions for Management consideration, while one project adopted OED's recommendation. For the special evaluation study, Management agreed with 5 of the 6 recommendations.
	AfDB	N.A	OPEV has, in its new strategy, an institutional mechanism to track the uptake of Management implementation actions such as lessons tracking sheets to follow up on the implementation of evaluation recommendations by Management. This has not yet been implemented.
	EBRD	N.A	A system of following-up of evaluation recommendations is in place and a first reporting on this issue will be done jointly by Management and the Evaluation Department for Board presentation in April 2008.
	IADB	N.A	Management is in the process of implementing a set of recommendation provided by the first exercise of the self-evaluation produced in 2006. For the overall recommendations, please see the description of the IADB's sovereign guaranteed operations.
	IIC	12 of 16 recommendations (75%)	With respect to OVE's 2003 Report (compliance with ECG standards and implementation of lessons learned) IIC has made good progress. The 2006 Report indicates that IIC has made good progress in 12 of 16 recommendations. The remaining are either too early to track, or not applicable. Essentially, the report reaches favorable conclusions regarding IIC's overall evaluation work.
	IsDB	Not available.	See indicator 8e-1
	ICD	Not applicable.	Most of the recommendations made in the independent evaluation study (on the ICD as a whole) have been considered by management.
	IFC	41 of 47 recommendations (87%)	IFC Management has accepted, and its Board Committee on Development Effectiveness has endorsed, 47 recommendations from various IEG reports issued in 2000-2004. IEG's assessment indicates that IFC has implemented (highly or substantially) 72% of these, and has progressed beyond the initial implementation phase on another 15%. The remaining 13% are either too early to rate or too recent to implement. The next update is planned for the third quarter of FY08.

³⁶ 'Agreed recommendations' refers to those recommendations that management agreed to implement – among those, how many were implemented?

MATRIX OF INDICATORS

CATEGORY 8 Private Sector Operations

Category 8: Private Sector Operations			
Subcategory 8f Results Focused Human Resources Management	MDB	Are results-related achievements considered in staff evaluations? (yes/no, describe).	
		(Yes/No)	Describe
	AsDB	Yes	Same as for public sector operations.
	AfDB	Yes	Same as for public sector operations.
	EBRD	Yes	Yes, however only for Operations Staff (ie 50% of staff).
	IADB	Yes	Please see the description of the sovereign guaranteed operations.
	IIC	No	This might be considered in the future.
	IsDB	Yes	Although no formal (quantitative assessment) is made, the staff performance and appraisal exercise gives consideration to quality of projects, including number (%) of successfully completed projects as rated by the Bank's operation evaluation department.
	ICD	Yes	Staff evaluations are based on contributions to the achievement of goals of the department and the institution as a whole.
	IFC	Yes	<p>IFC's staff evaluations assess results on the basis of corporate goals with incentive systems at all levels. Scorecards cascade incentives from the corporate level to departmental and individual incentives:</p> <p>IFC's Corporate Scorecard holds Senior Management accountable to the Board and shareholders for IFC's performance in the areas of development impact, client satisfaction, and financial performance. Development results targets are agreed with the Board at the corporate level and reflect IFC's five strategic priorities.</p> <p>Departmental and Director Scorecards reflect corporate strategy. Departmental scorecards measure and compare performance among investment departments, and draw on both independent evaluation findings and the Development Outcome Tracking System (DOTS). Director Scorecards were added this year. These scorecards aim to align the incentives of IFC's departments with IFC and World Bank Group strategic priorities.</p> <p>Scorecard awards: Reward individuals and teams that contributed the most in achieving departmental scorecard objectives as stated at the beginning of each fiscal year as assessed at fiscal year close.</p> <p>Staff and Manager Performance: Directors evaluate managers according to objectives to meet unit goals, which in turn are influenced by the departmental scorecard. To reinforce the link between individual results and corporate objectives, staff are eligible for a performance "reward" of up to 15% of their salary for outstanding achievements against annual objectives.³⁷</p> <p>Long-term performance awards: Recognizing that development results take time to materialize, IFC has also introduced long-term performance awards to recognize outstanding teams and individuals based on the actual development results of projects staff brought into the portfolio 5-8 years earlier. Long-term performance awards may be up to 20% of the recipient's salary.³⁷</p>

³⁷ Rewards are based on the salary reference point (a point near the middle of the salary range for a particular grade level), not the actual salary.

MATRIX OF INDICATORS

CATEGORY 8

Private Sector Operations

Category 8: Private Sector Operations			
Subcategory 8f Results Focused Human Resources Management	MDB	Are results-related achievements considered in staff evaluations? (yes/no, describe).	
		Yes/No	Describe
	IFC		Through IFC's incentives programs, staff are eligible to receive up to 15% of MRP while a limited number of investment staff may be eligible to receive up to 35% of MRP in performance-based pay annually. For FY07, performance awards were granted to about 24% of staff ³⁸ . By linking corporate and individual incentive systems to development results, IFC aims to drive performance improvements and strengthen accountability – focusing the entire Corporation on development results.

³⁸ Figures include regular staff, as well as consultants and temporaries who are eligible for awards.

Appendix 1

OPERATIONAL HIGHLIGHTS

- AsDB has continued to scale up its assistance to the Asia and the Pacific region

Vision

An Asia Pacific region that is free of poverty.

Mission

AsDB helps its developing member countries (DMCs) in the Asia and Pacific region improve the quality of life of their citizens.

Members

AsDB is owned by 67 members, 48 of which are from the Asia Pacific region, and 19 are from other parts of the world.

Offices

AsDB's headquarters is in Manila, Philippines. It has 30 other offices around the world.

Staff

AsDB has over 2,000 employees from over 50 countries.

Main Operational Activities*					
	1966-2006	2004	2005	2006	2007
Lending					
Commitments (US\$ million)	133 299	5 039	5 761	7 389	10 106
No. of Projects	2 081	62	63	66	82
Disbursements (US\$ million)	91 104	3 563	4 745	5 758	6 851
Equity Investment					
Amount (US\$ million)	1 386	164	197	256	80
No. of Investments	162	11	8	14	5
Grants					
Amount (US\$ million)	3 273	104	1 152	534	673
No. of Projects	221	27	50	41	39
Technical Assistance					
Amount (US\$ million)	3 263	192	198	241	243
No. of Projects	6 348	317	297	259	242
Cofinancing					
Amount (US\$ million)	13 958	295	401	1 483	1 095
No. of Projects	1 062	110	111	103	77
Total Operations	155 179	5 794	7 709	9 903	12 197

Note: Data are provisional, pending the release of AsDB's 2007 Annual Report.
 a. Approvals excluding terminated operational activities.
 b. Includes direct value added cofinancing.

- AsDB has also continued to increase its development effectiveness through internal reform initiatives and external efforts to harmonize strategies, programs and procedures with other multilateral development banks and bilateral donors.

Financial Resources

Authorized and subscribed capital stock: US\$ 55.98 billion, as at 31 December 2007.

Special Funds, as at 31 December 2006:

- Asian Development Fund: US\$ 29.2 billion;
- Other Funds: US\$ 3.3 billion.

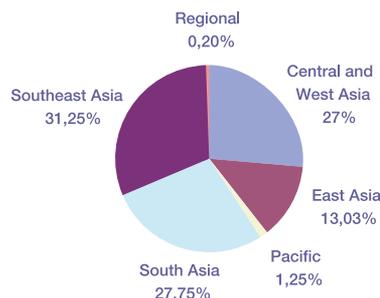
Gross income including revenue and net realized gains: US\$ 1.9 billion, as at 31 December 2006.

Major Initiatives, 2007

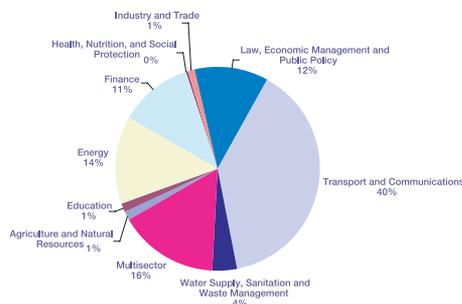
- Review of AsDB's Long-Term Strategic Framework;
- Launch of Asian Development Fund replenishment;
- New Approach to Weakly Performing Countries adopted;
- Update of AsDB's Safeguard Policy.

Top Recipients of Loans, Grants and Technical Assistance, 2007		
DMC	Amount (US\$ million)	% share
Pakistan	2 072,03	19%
Viet Nam	1 525,79	14%
India	1 397,19	13%
China, People's Rep. of	1 327,18	12%
Indonesia	1 051,16	10%
Bangladesh	973,39	9%
Philippines	595,45	5%
Sri Lanka	475,60	4%
Azerbaijan	256,00	2%
Afghanistan	193,30	2%
Regional	122,65	1%
Other DMCs	1 032,00	9%
Total	11 021,75	100%

Loan Commitments by Region, 2007



Loan Commitments by Sector, 2007



AfDB Group CORPORATE PROFILE

OPERATIONAL HIGHLIGHTS

The African Development Bank has been implementing a number of reform initiatives aimed at strengthening results orientation in country strategies and projects and programs, ensuring an effective field presence, enhancing support to private sector and to fragile states.

Vision

The African Development Bank Group (AfDB) strives to be the leading development finance institution in Africa, dedicated to providing quality assistance to African Regional Member Countries in their poverty alleviation efforts.

Mission

Contribute to the sustainable economic development and social progress of its regional members individually and jointly.

Members

The AfDB is owned by 53 African countries (RMCs) and 24 non-African countries (non-RMCs).

Offices

AfDB is headquartered in Abidjan, Cote d'Ivoire. However, because of political instability in Cote d'Ivoire, the AfDB Governors' Consultative Committee (GCC), at a meeting in February 2003 in Accra, decided to move the Bank to its current temporary location in Tunis, Tunisia. It has 22 field offices which are opened and operational. Two more field offices are in the process of being opened.

Staff

AfDB has about 1,299 budgeted staff posts.

tation in country strategies and projects and programs, ensuring an effective field presence, enhancing support to private sector and to fragile states.

Financial Resources

As of 31st December 2006

Authorized Capital: UA 21.87 billion

Subscribed Capital: UA 21.79 billion

Special Funds

– The African Development Fund

The Fund's resources come from contributions and periodic replenishments by participants, usually on a 3-year basis. For ADF-XI which covers the 2008-2010 period, ADF Deputies agreed on a replenishment level of UA 5.6 billion.

– The Nigeria Trust Fund

The NTF became operational in April 1976 following approval of the Agreement Establishing the Nigeria Trust Fund by the Board of Governors. Its initial capital of US 80.0 million and replenished in 1981 with US\$ 71.0 million.

– The African Development Bank also manages a number of trust funds.

Major Recent Initiatives

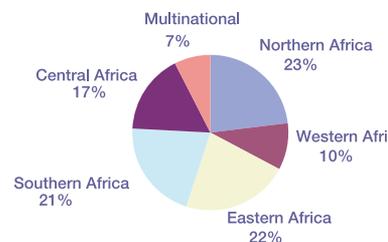
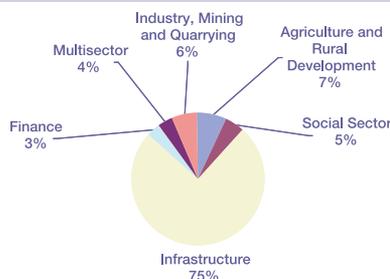
- XIth Replenishment of the African Development Fund concluded;
- Independent High-Level Panel Report on the AfDB in the 21st Century Launched;
- Work on the 2008-2012 Strategic Plan underway;
- Whistleblowing and Complaints Handling Policy Adopted;
- Simplification of Bank Group business processes.

Main Operational Activities for African Development Bank Group, 2003-2007					
	2003	2004	2005	2006	2007*
Bank Group Lending					
Amounts (in millions of UA)	2,361.7	2,355.0	1,888.8	2,731.1	3,596.0
No. of approvals	71	52	36	43	46
Disbursements (in millions of UA)	1519.8	2043.1	1843.5	1864.0	2553.7
Equity Investment					
Amount (in millions of UA)	-	5	50	-	296.92
No. of approvals	-	1	1	-	6
Grants					
Amount (in millions of UA)	259.4	336.5	600.7	740.8	485.3
No. of approvals	70	60	51	70	26
Technical Assistance 1/					
Amount (in millions of UA)	38.4	155.2	46.8	89.3	9.6
No. of approvals	20	33	15	25	5
Cofinancing 2/					
Amount (in millions of UA)	3,726.9	3,045.6	2,695.5	6,377.0	6,643.0
No. of approvals	28	31	19	35	28
-: Magnitude zero					

Note: The conversion rate used is that for 30 November 2007: 1UA = US\$ 1.59018
 1/ Comprises of: (i) Project Cycle Activities of which Private Sector; (ii) Institutional Support of which Private Sector; and (iii) Middle Income Countries Grant.
 2/ extracted from Compendium of statistics on Bank operations, 2007.
 * Amount from other donors
 In millions of US dollars and data as of December 2007

Top Recipients of Loan & Grant Approvals, 2007		
Country	Amount (US\$ millions)	% Share
South Africa	526	13%
Egypt	501	12%
Gabon	376	9%
Multinational	305	7%
Kenya	301	7%
Congo, Dem. Rep.	292	7%
Morocco	286	7%
Uganda	283	7%
Tanzania	237	6%
Madagascar	179	4%
Other countries	794	19%
Total	4 081	100%

Distribution of Loan and Grant Approvals, 2007



OPERATIONAL HIGHLIGHTS

EBRD has been scaling up its investment in 2007
 Out of 5.6 billion committed in 2007, about 70 per cent was committed to The Commonwealth of Independent States

Mission

To foster the transition from centrally planned to market economies in 28 countries from central Europe to central Asia by investing mainly in the private sector and taking a greater risk than private financial institutions are usually prepared to do.

Members

EBRD is owned by 61 countries and two intergovernmental institutions.

Offices

EBRD's headquarters are in London, United Kingdom. It has 33 Resident Offices in the 28 countries of operation (as of 1 January 2008).

and Mongolia, 18 per cent to South-eastern Europe and 10 per cent to Central eastern Europe and the Baltic states.

Staff

EBRD has more than 1,200 employees, including about 260 staff in the Resident Offices.

Financial Resources

(As at 31 December 2006)
 Authorized and subscribed capital stock – 19.794 billion. Net profit after provisions – 2.4 billion.

Recent Initiatives

- New business strategy adopted, which sets the course for the Bank up to 2010;
- Sustainable Energy Initiative launched in May 2006;
- Signed MoU with EC and EIB to jointly finance projects in Russia, Ukraine, Moldova, the Caucasus and central Asia.
- Graduation of the Czech Republic in November 2007.

Main Operational Activities, 1991-2007						
	1991-2007	2003	2004	2005	2006	2007
Lending						
Commitments (million)	28 535	3 286	3 429	3 706	3 929	3 908
No. of projects ¹	1 868	166	213	225	245	263
Disbursements (million)	22 396	1 977	3 188	2 007	2 949	3 070
Equity Investment						
Commitments (million)	8 404	435	704	572	1 008	1 676
No. of projects	844	61	59	61	64	91
Grants						
Amounts (million)	0	0	0	0	0	0
No. of projects	0	0	0	0	0	0
Technical assistance						
Commitments (million)	na	73,2	81,8	78,5	73,7	98,2
No. of commitments ²	na	228	247	287	382	474
Commercial Co-financing						
Amount (billion)	na	na	na	1,9	2,6	3,2

1 A project with both a debt and an equity component will count once in each category.
 2 An investment project may receive funds (commitments) from more than one source.

Top Recipients of Loans and Equity, Cumulative Commitments 1991-2007		
Country	Amount (€ million)	% Share
Russian	9 665,6	26,2%
Poland	3 741,4	10,1%
Romania	3 540,9	9,6%
Ukraine	3 241,0	8,8%
Hungary	1 842,9	5,0%
Kazakhstan	1 733,8	4,7%
Croatia	1 708,3	4,6%
Bulgaria	1 546,0	4,2%
Serbia	1 321,6	3,6%
Slovak Republic	1 133,3	3,1%
Other	7 463,7	20,2%
	36 938	100,0%

Distribution of Loan Commitments, 2007



OPERATIONAL HIGHLIGHTS

- IADB has realigned its structure and operations to meet emerging needs in Latin America and the Caribbean.
- The IADB is implementing a new organizational model to enhance the strategic capacity of the Bank to better respond to the new demands of the countries in the region.

Mission

To contribute to the acceleration of the process of economic and social development of the regional developing member countries, individually and collectively.

Objectives

The Bank's objectives are: to create and sustain a policy and investment environment conducive to robust economic growth; and to achieve higher levels of human development for everyone, including groups and persons historically excluded from mainstream society. In order to achieve these objectives, the Bank's priority areas are: (1) Social development, particularly poverty reduction through sustainable economic development, educational reforms, and initiatives that promote social inclusion; (2) Competitiveness, particularly supporting activities that improve countries' ability to compete in the global economy as well as strengthen their financial sectors and capital markets; (3) Regional integration, including integration at the sub-regional, regional and hemispheric levels; and (4) Modernization of the state activities, including the processes of state reform and institutional strengthening at the national and sub-national levels.

Members

The IADB is owned by 47 members, 26 of which are from Latin America and the Caribbean, and 21 are from other parts of the world.

Inter-American Development Bank – Main Operational Activities, 1961-2007						
Total Loans & Guarantess	1961-2007	2003	2004	2005	2006	2007
Approvals (US\$ Millions)	154 205	6 810	6 020	7 148	6 381	8 964
Number of projects	3 204	84	87	103	126	124
Disbursements	133 883	8 902	4 232	5 328	6 489	7 118
Concessional lending						
Approvals (US\$ Millions)	18 525	578	552	410	605	152
Number of projects	1 216	23	27	20	24	19
Disbursements	16 739	486	463	424	398	393
Grants						
Amount (US\$ Millions)	2 462	64	57	90	104	217
Number of projects	9 579	327	340	427	442	430
Cofinancing						
Amount (US\$ Millions)	N/A	1 319	3 101	2 168	3 600	2 643
Number of projects		28	24	29	38	38
Inter-American Investment Corporation – Main Operational Activities, 1989-2007						
	1989-2006	2003	2004	2005	2006	2007
Loans & Equity Investments						
Approvals (US\$ millions)	2 266	194	164	342	338	455
Number of projects	434	26	31	37	46	61
Disbursements	1 599	112	153	197	288	391
Cofinancing						
Amount (US\$ millions)	1 397	125	130	100	173	138
Number of projects	62	3	4	2	5	5

- The Bank significantly increased its operations with the private sector in 2007.
- The Bank's replenishment of the Programa de Ejecución del Pilar Externo del Plan de Acción a Mediano Plazo para la Efectividad en el Desarrollo (PRODEV) increased its resources to US\$12.8 million in 2007
- The new Performance Monitoring Report (PPMR) system includes risk and safeguards profiles.

Offices

IADB headquarters is in Washington, D.C. It has offices in all 26 of its borrowing countries, as well as in Paris and Tokyo.

Staff

The IADB has approximately 1,700 staff.

Financial Resources

Authorized and subscribed capital stock:

US\$ 101 billion

Special funds

– Fund for Special Operations: US\$ 9.7 billion

Gross income including revenue and net realized gains:

US\$ 3.1 billion

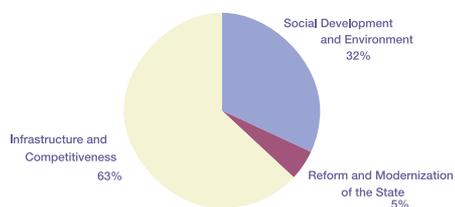
Main Recent Initiatives

- The process of realignment and the new business model.
- Opportunities for the Majority Initiative.
- Lending to sub-national entities without sovereign guarantee.
- Sustainable Energy for Climate Change Initiative.
- New ethics code.

Top recipients of Loans and Technical Assistance*, 2007		
Borrowing countries	Amount (US\$ million)	Share (%)
Argentina	2 497,2	27,2
Brazil	1 677,7	18,3
Peru	954,3	10,4
Colombia	783,2	8,5
Mexico	673,1	7,3
Ecuador	549,2	6,0
Costa Rica	538,2	5,9
Guatemala	281,9	3,1
Panama	194,8	2,1
Honduras	175,9	1,9

*The operations of the Inter-American Investment Corporation are not included.

Distribution of Loans and Guarantees, 2007



OPERATIONAL HIGHLIGHTS

IsDB is a multilateral development financing institution that was established to foster economic development and social progress of member countries and Muslim communities in accordance with the principles of Islamic Law (this is translated in particular, in the modes of financing that are used).

Vision

By the year 2020, IsDB shall have become a world-class development bank, inspired by Islamic principles, that has helped significantly transform the landscape of comprehensive human development in the Muslim world and helped restore its dignity.

Mission

The mission of IsDB is to promote comprehensive human development with a focus on priority areas of alleviating poverty, improving health, promoting education, improving governance and prospering the people.

Members

The IsDB has currently 56 members from four continents. All the members may benefit from IsDB financing.

Offices

IsDB headquarters are located in Jeddah (Saudi Arabia). It has four regional offices in Kazakhstan, Malaysia, Morocco and Senegal.

In addition to the Bank proper, the IsDB Group comprises the Islamic Research and Training Institute (IRTI), the Islamic Corporation for the Development of Private Sector (ICD), the Islamic Corporation for Insurance of Investment and Export Credit (ICIEC), and the International Islamic Trade Finance Corporation (ITFC) that will start its activities early 2008.

Staff

The total number of staff is 930 from 77 nationalities (54 member countries and 23 non-member countries).

Financial Resources

Authorized Capital: ID 30.0 Biln
 Subscribed Capital: ID 13.2 Biln
 Resources mobilized through Funds and Schemes: ID 547 Miln
 Gross Income: ID 317.3 Miln

Main Recent Initiatives

- Establishment of an Islamic Solidarity Fund for Development that aims at combating poverty in the member countries. New approaches and new types of projects will be adopted;
- Program to enhance the Islamic financial services industry (product development, diversification of services, setting standards and regulatory framework, etc.);
- Increasing support to public private partnership;
- Enhancing role of IsDB group as a facilitator.

Main Operational Activities (1975-07)*					
Project Financing from OCR					
	1975-08	2004-05	2005-06	2006-07	2007-08
Lending**					
Approvals (ID Million)	10 986	870	864	1 114	1 294
Number of operations	1 228	82	73	75	68
Equity Investment					
Approvals (ID Million)	311	30	18	8	67
Number of operations	123	9	6	5	6
Technl. Assistance					
Approvals (ID Million)	174	13	10	11	11
Number of operations	663	54	49	64	73
Cofinancing					
Approvals (US\$ Million)	19 986	404	1 176	789	976
Number of operations	408	20	17	10	21
Project Financing from other Funds/Entities of IsDB Group					
Approvals (ID Million)	3 374	355	525	368	366
Number of operations	381	41	61	45	36
Trade Financing					
Approvals (ID Million)	21 944	1 885	1 169	1 984	1 818
Number of operations	2 011	138	89	130	82
Special Assistance					
Approvals (ID Million)	501	14	9	13	17
Number of operations	1 185	67	44	47	62

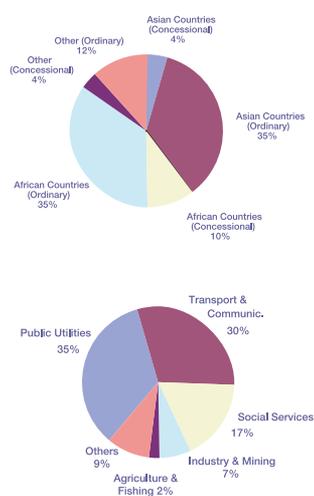
* Since the fiscal year of the IsDB is the Hijrah (lunar) year, all IsDB data in this report is based thereupon. However, for ease of reading, each Hijrah year is referred to, in this report, by the nearest corresponding Gregorian year (i.e. 2007 corresponds to 1428H, 2006 corresponds to 1427H, 2005 corresponds to 1426H and 2004 corresponds to 1425H.)

** «Lending» is meant to include loans, leasing, installment sale, istisna'a, profit sharing and lines of financing.

Top Recipients of IsDB Lending** in 2007 (ID million)

Region	Amount	Percentage
Morocco	133,0	9,7%
Iran	117,4	8,6%
Egypt	114,9	8,4%
Jordan	110,5	8,1%
Kazakhstan	97,5	7,1%
Pakistan	83,5	6,1%
Malaysia	79,0	5,8%
Saudi Arabia	67,9	5,0%
Mali	52,8	3,9%
Cote d'Ivoire	48,7	3,6%

Distribution of Approved Lending* from OCR During 2007



World Bank CORPORATE PROFILE

OPERATIONAL HIGHLIGHTS

During fiscal year 2007, the World Bank Group committed \$34.3 billion in loans, grants, equity investments, and guarantees to its members and to private businesses in member countries-up 2.7 billion from fiscal year 2006. In fiscal year 2007, IDA committed \$11.9 billion, 25% higher than the previous year. IBRD commitments in fiscal year 2007 totaled \$12.8 billion. The Bank is the largest provider

Vision

Working for a world free of poverty.

Mission

To fight poverty with passion and professionalism for lasting results. To help people help themselves and their environment by providing resources, sharing knowledge, building capacity and forging partnerships in the public and private sectors.

Members

IBRD is comprised of 184 members while IDA has 165 members.

Offices

World Bank's headquarters is in Washington, DC. It has over 100 other offices around the world.

Staff

Some 10,000 development professionals from nearly every country in the world work at the World Bank in Washington. Approximately 3,000 of us work in country offices in the developing world.

Main Operational Activities for IBRD and IDA, 2003-2006					
	2003	2004	2005	2006	2007
IBRD+IDA Lending					
Commitments (US\$ million)	18 513	20 080	22 307	23 641	24 697
No. of Projects	240	245	278	279	301
Gross Disbursements (US \$ million)	18 940	17 045	18 672	20 743	19 634
IDA Grants					
Amount (US\$ million)	1 016	1 697	2 035	1 939	2 195
No. of Projects	141	158	160	167	
Cofinancing 1/					
Amount (US\$ million)	3 070	11 517	9 070	5 244	6 876,40
No. of Projects	98	107	126	123	110

1/ Based on current Business Warehouse data as of October 12, 2007 and resources from bilateral, multilateral, private and others and private export credit agencies.

of development assistance to Africa, with a record \$5.8 billion in credits, grants, and guarantees in fiscal 2007. In total, the Bank approved 93 projects, up more than 20 percent from fiscal 2006. Sixteen African countries benefited from the Multilateral Debt Relief Initiative in fiscal 2007, and another 17 will become eligible when they reach their completion points under the Heavily Indebted Poor Countries (HIPC) Initiative.

Financial Resources

(Million of US dollars. For fiscal year 2007)

IBRD

Operating Income: 1,659
 Loans outstanding: 97,805
 Total assets: 208,030
 Total equity: 39,926

IDA

Operating Income [loss] [2,075]
 Development credits outstanding 102,457
 Total sources of development resources 111,330

Main Recent Initiatives

As part of the overall focus on increasing aid effectiveness, the Bank prepared and launched the Governance and Anti-corruption Strategy. Following up on the 2006 launch of the Middle Income Country Action Plan, the Bank continued to strengthen product and service offerings for MIC countries, most notably through a significant cut in the cost of IBRD loans. The Bank recently unveiled a long-term strategic exercise, targeting six major themes to help achieve sustainable globalization. The themes are: Fragility and Conflict, Global Public Goods, Knowledge, Middle Income Countries, Poorest Countries, Arab World, and Common Challenges.

Ten Largest IBRD/IDA Borrowers in Fiscal 2007		
Borrower	Commitments	
	Amount (US\$ millions)	% of total
India	3 751	15,20%
Argentina	1 749	7,10%
China	1 641	6,60%
Indonesia	1 159	4,70%
Turkey	1 158	4,70%
Colombia	1 102	4,50%
Pakistan	985	4,00%
Nigeria	750	3,00%
Vietnam	712	2,90%
Africa Regional Projects	707	2,90%
Total	13 714	55,50%

IBRD/IDA Lending, Fiscal 2007 - Total Lending: \$ 24.7 billion



Appendix 2

Profiles of Private Sector Operations of Multilateral Development Banks

(Data in US dollar millions, unless otherwise indicated)

	ASDB*		AFDB*		EBRD		IADB*		IIC*		IsDB		ICD		IFC ¹⁰										
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2005								
Investment Portfolio – Total	2,505.6	2,181.1	1,328.5	2,760.6	1,508.9	1,348.2	20,705.2	16,187.2	13,845.2	2,785.6	1,959.2	1,771.2	793	687	511	1436	943	650	657.5	499.4	2006	2005	2006	2005	
Of which Loans	1,451.9	1,266.7	730.4	2,329.1	1,351.6	1,201.9	14,057.6	11,623.3	10,278.7	2,642.6	1,832.2	1,664.6	734	619	432	1436	943	650	411	329.2	257.8	20,526.1	17,627.5	15,926.6	19,274
Non-Performing Loans (Principal)	16.5	29.7	49.2	28.8	29.0	23.4	54.5	25.0	49.7	N.A.	66	196	20	29	5	23.2	0	0	17.21	14.4	5.3	377.9	447.1	633.8	633.8
Loan Write-offs	8.6	20.5	0.7	0	0	2.6	27.1	42.7	N.A.	42	6	6	5	9	4	0	0	0	N.A.	N.A.	N.A.	39.2	114.3	143.2	143.2
Of which Equity	1,053.6	914.4	598.2	407.2	134.6	136.2	6,649	4,563.9	3,566.5	143	127	106.5	60	67	78	0	0	0	246.5	170.2	92.8	4,885	3,911.6	3,326.6	3,326.6
Equity Write-offs	0	0	2.25	0	0	10.7	37	26.5	N.A.	0	0	0	1	0	2	0	0	0	N.A.	N.A.	N.A.	45.4	72.8	459.8	459.8
Number of portfolio companies	140	122	109	58	47	46	875	812	781	152	130	125	52	46	37	26	20	14	103	91	66	1,410	1,368	1,314	1,314
New Commitments – Total	1,716.1	1,410.3	777.9	2,124.5	1,236.9	1,216.9	7,081.8	5,199.3	3,838.8	1,226.9	1,091.1	456	212	303	206	493	293	125	168.1	148.7	141.7	8,220	6,703	5,373	5,373
Of which Real-Sector Projects	900.1	887.6	507.3	987.4	549.9	475.8	3,376.8	2,291.6	2,152.2	639	257.8	206	44	63	52	443	293	125	139	105.7	116.7	4,540	3,859	2,988	2,988
Of which Financial Services	796	330	185	1,137.1	687.1	741.1	3,116.2	2,644.8	1,350.3	584.3	462.75	41.8	168	240	154	0	0	0	29.1	43.1	25	3,404	2,535	2,197	2,197
Of which Funds	20	192.7	85.5	173.1	123.2	74.9	588.8	262.9	336.4	3.6	119	37.1	0	0	0	50	0	0	0	0	0	276	309	188	188
Droppages/Approvals	0.0%	0.0%	5.3%	2.1%	1.0%	3.5%	15.4%	18.4%	8.7%	0.0%	24.0%	46.0%	19.1%	9.8%	14.9%	0.0%	0.0%	0.0%	13.0%	13.3%	39.3%	9.0%	3.0%	10.0%	10.0%
Cancellations/Commitments	0.3%	1.3%	3.0%	0.7%	13.8%	5.3%	6.9%	10.0%	7.1%	2.5%	1.6%	1.0%	0.0%	11.1%	4.0%	0.0%	0.0%	0.0%	2.5%	0.0%	0.1%	13.5%	13.5%	12.1%	12.1%

Advisory Services

	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006	2007	
Project Expenditures ⁴	N.A.	N.A.	N.A.	106	77.3	72.8	N.A.	N.A.	N.A.	117	84.4															
Staff⁵																										
Number of staff working on Investments	66	56	55	16	16	12	1,267	1,187	1,116	55	57	57	91	91	96	4	4	4	36	28	21	1,269	1,155	1,025	1,025	1,025
Number of staff working on Advisory Services	N.A.	N.A.	N.A.	75	56	49	1	1	N.A.	1	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	1,087	978	730	730						

1 Investment Portfolio: Disbursed and outstanding as well as committed portfolio.
2 Droppages: An approved investment that has failed to become a signed agreement.
3 Cancellations: An undisbursed, committed balance of an equity investment, loan or guarantee cancelled by mutual consent between the MDB and a project company.
4 Expenditures by MDB, including donor resources administered by MDB.
5 ADB: Includes administrative staff. EBRD: Figure represent total staff. About 50% of budget and staff is allocated to direct private sector investments. IFC: In addition to the staff working on investment and advisory services, staff engaged in IFC Service Departments (such as Human Resources, Legal, etc.) amounted to: 778 in 2007, 747 in 2006, and 678 in 2005. IADB: Project expenditures for technical cooperation prepared by Structured and Corporate Finance Department only, staff number is only inclusive of staff in this department.
6 ADB: Fiscal year ends December 31, 2007. 2007 portfolio and cancellation figures are indicative as of report preparation date. ADB's write-off in 2005 was a result of a change in accounting method, such that the existing provision for the investment at that time had to be written off. After which, the current fair value is compared against the adjusted cost basis to determine the unrealized gain/loss. ADB new commitment total for 2005 is net of droppages.
7 ADB: Original data in "units of account" (1 UA = 1 standard drawing right) were converted at the following exchange rates (\$UA): 2005: 1.42927, 2006: 1.5044, 2007: 1.55665.
8 IADB: Loan portfolio subtotal includes guarantees. Investment Portfolio, New Commitments (except Droppages and Cancellations), and Advisory Services include those of Multilateral Investment Funds (MIF). For the activities of MIF please go to www.iadb.org/mlf/
9 IIC: Loan portfolio subtotal includes guarantees. Investment Portfolio, New Commitments (except Droppages and Cancellations), and Advisory Services include those of Multilateral Investment Funds (MIF). For the activities of MIF please go to www.iadb.org/mlf/
10 IFC: Numbers by respective fiscal year (ending June 30).

