

Corporate Evaluation**2024 Annual Evaluation Review: Drivers of ADB's Country Engagement Approach and Quality**

DEC Chair Summary of the 10 April 2024 Meeting

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1. The Development Effectiveness Committee (DEC) met on 10 April 2024 to discuss the corporate report *2024 Annual Evaluation Review (AER): Drivers of ADB's Country Engagement Approach and Quality*, produced by the Independent Evaluation Department (IED) and the *Management Response* to this.
 2. The DEC Chair noted the key findings on performance, emphasizing the declining success of technical assistance (TA) operations especially in light of the recent endorsement by the Board for an increase in TASF allocation for 2023. DEC members underlined the importance of considering the findings from the AER together with the other two institutional reports—the Annual Portfolio Performance Report, and the Development Effectiveness Review. Together, they present a holistic view on how ADB delivers its mandate and ensures ADB's accountability to its constituents.
 3. DEC members urged Management to address common issues faced by sectors with low sovereign operations performance and improve ADB's additionality in nonsovereign operations by providing more local currency financing. They recognized the need to improve TA designs and results frameworks in the case of knowledge and capacity development TAs to improve performance. They also underlined the importance of aligning TAs with country partnership strategy (CPS) priorities and the needs of individual sectors and projects. They emphasized strengthening the link between sovereign and nonsovereign operations to support upstream and downstream interventions.
 4. In its response, Management mentioned that steps taken under the new operating model (NOM) included delegation to field staff for speedy decision making and increasing field capacity and more flexible staff assignments to attend to problematic projects. With regards to TA, a sector-wide approach will be taken for knowledge TAs considering government capacities. Large facility-type TA will be deployed in core sectors with cofinancing obtained from various donors. Management also recognized the importance of addressing challenges in the Pacific and fragile and conflict affected situations and small island developing states (FCAS/SIDS), particularly on improving project readiness and institutional capacity.
 5. On the pandemic emergency response, both DEC and Management acknowledged ADB's successful support during crisis. IED noted that ADB's Comprehensive Response to the COVID-19 Pandemic Option (CPRO) projects were assessed differently given their budgetary support in nature and their unique guideline, hence, their success may not necessarily be replicated in ADB's regular operations.

6. On the country engagement approach, DEC members requested Management to pay more attention to improving the quality of diagnostics to inform the preparation of CPSs and having midstream learning and course correction to ensure relevance and effectiveness of the CPSs. They also urged Management to review the process of midcourse correction and ensure that staff adhere to it.

7. In its response, Management noted that with the NOM, knowledge sharing across regions and sectors will further improve. ADB's decentralization of country operations will strengthen country diagnostics and programming. Under NOM, the sector project administration unit (PAU) heads, and country operations heads will emphasize the significance of midstream reviews and course corrections.

8. DEC members also wanted to know how Management and IED can work better to deal with variance in project success ratings. IED noted that the variance signals the need for a robust M&E system and better incentives for operational staff to be more realistic in their self-assessment. Management noted that the quality of the Project Completion Report is now part of its key performance indicators, and aims to collaborate closely with IED to reduce the discrepancies. In the case of FCAS/SIDS, IED noted that ADB's guidelines for evaluation aim to assess what ADB has promised to deliver. For FCAS/SIDS, there is a need to calibrate project designs and results frameworks in line with the unique DMC context.

9. DEC also requested that they be kept informed on the implementation of IED recommendations accepted by Management including timely access to Management Action Record System (MARS) data and explanation why certain actions are not well implemented. Management expressed its full commitment to the quality and monitoring of MARS action plans.

Meeting Attendees:

DEC:	ED Justine Diokno-Sicat (Chair), ED Vikas Sheel, ED Made Arya Wijaya, AED Keiko Takahashi, AED Lisa Wright
IED:	Emmanuel Jimenez, Director General; Nathan Subramaniam, Director; Srinivasan Palle Venkata; Senior Evaluation Specialist/Team leader
Management:	Tomoyuki Kimura, Director General, SPD; Ramesh Subramaniam, Director General and Group Chief, Sector Group; Cindy Malvicini, Deputy Director General, South Asia Department
Secretariat:	Roquena Domingo, OSEC

Links to the Attachments:

1. [2024 Annual Evaluation Review: Drivers of ADB's Country Engagement Approach and Quality](#)
2. [Management Response to the 2024 Annual Evaluation Review: Drivers of ADB's Country Engagement Approach and Quality](#)