

Asian Development Bank  
Operations Evaluation Department (OED)

# Evaluation of the Implementation of the Paris Declaration: Case Study of the Asian Development Bank

## Executive Summary

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The guidelines formally adopted by the Operations Evaluation Department (OED) on avoiding conflict of interest in its independent evaluations were observed in the preparation of this report. To the knowledge of the management of OED, there were no conflicts of interest between the persons preparing, reviewing, or approving this report.

### Evaluation of the Implementation of the Paris Declaration at the Asian Development Bank: A Development Partner's Study for a Joint Evaluation

## Executive Summary

The purpose of this evaluation study by the Operations Evaluation Department (OED) of the Asian Development Bank (ADB) is to contribute to the first phase evaluation of the Organisation for Economic Co-operation and Development-Development Assistance Committee's (OECD/DAC) joint evaluation of the Paris Declaration. Following the terms of reference provided by OECD/DAC, the focus of this evaluation is on the inputs within ADB, covering three dimensions – ownership and leadership, capacities, and awareness and mainstreaming – for promoting the five Paris Declaration pillars.

As a Development Partner, the Asian Development Bank has been moving along the general development best practice

trends of the international development community. ADB has been following the articulations of several high level forums, including the 2003 High Level Forum on Harmonisation in Rome and the 2004 Marrakech Roundtable on Managing for Development Results. Several of ADB's policies and strategies that were developed and adopted before the endorsement of the Paris Declaration incorporate concepts of country ownership, building governments' capacities in their respective thematic areas, and cooperation with other Development Partners.

According to the information provided by the Management to the ADB Board of Directors, ADB's plan is to continue integrating the Paris principles into its work, which is already being undertaken, mainly by its regional departments. ADB has already prepared and is implementing separate action plans for the pillars of alignment, harmonisation, and managing for results.

As per the Indicators of Progress of the Paris Declaration, ADB is progressing towards meeting the Paris commitments on

ownership and managing for results, and needs to increase its efforts towards meeting its targets for the pillars of alignment and harmonisation. ADB activities that contribute to building mutual accountability are ongoing. However, the indicators, as currently defined, are not capturing key ADB activities related to the Paris Declaration. These include co-financing partnerships and memoranda of understanding signed with other Development Partners. In addition, the indicators do not recognise activities that lead to compliance, e.g. capacity development, particularly in countries at the early stages of implementation or in weakly performing countries.

### Ownership and leadership

The policies and strategies of ADB generally support the five pillars of the Paris Declaration, and ADB's revised guidelines for preparing its key country partnership document, the country partnership strategy, reinforce their importance. Some of ADB's policies, strategies, and/or processes, however, may hinder meeting some targets in the Indicators of Progress. For example, the current set of loan modalities may need to be reviewed with a view to facilitating ADB's participation in programme-based approaches.

During interviews, ADB's Board of Directors and Management were generally supportive of the Paris Declaration. However, ADB's Management could provide a more regular and visible demonstration of support in this regard. Several concerns were expressed by staff over some pillars of the Paris Declaration. The Operations Evaluation Department believes the scope and definition of the Indicators of Progress in monitoring Paris Declaration compliance need to be reviewed and clarified. Guidelines and indicators for activities related to the Paris Declaration in countries with no operational development strategy are not available. OED also found that the cost of coordination and harmonisation to a Development Partner may be significant.

### Capacities

ADB staff are generally aware of the Paris pillars, some pillars more than others. General awareness-raising is yet to be undertaken, but ADB staff members are development professionals who continue to learn about good development practices. Staff working in resident missions, country programming, sectors with many Development Partners (e.g., education), and developing member countries with governments actively implementing the Paris agenda (e.g., Bangladesh, the Philippines, and Vietnam) are the most familiar with the Paris Declaration per se. According to an evaluation of its implementation, staff, in general, have, to date, a low level of awareness of managing for development results. The new country partnership strategy guidelines, which were approved in 2006 and widely distributed in 2007, provide some guidance to staff on implementing the pillars of the Paris Declaration when preparing country strategies, including promotion of country ownership and results orientation.

ADB's resident missions play a key role in meeting ADB's Paris commitments in the member countries. Resident missions are

effective in supporting project design and administration and are perceived by Development Partners to increase the effectiveness of ADB's services. Over the years, both the volume and scope of their work have grown. However, the capacities of resident missions are restricted by a lack of delegated authority and increased workload without a commensurate quantitative and qualitative increase in resources. The effectiveness and efficiency of resident missions could still be improved with increased delegation matched by the required resources. Increased decentralisation would improve their responsiveness to emerging development issues, and would respond to calls for increased decentralisation by the larger developing member countries.

### Mainstreaming and incentives

ADB staff members are implementing the Paris principles, with three pillars, viz., ownership, harmonisation, and alignment, integrated more than the others. Mainstreaming of the Paris principles in a specific developing member country is affected by the developing member country's ownership of the Paris Declaration. There is, however, no specific incentive for staff to implement the Paris principles.

### Lessons identified

Several lessons were identified from ADB's implementation of the Paris Declaration. In the absence of a corporate strategy or action plan to meet the Paris commitments, implementation differs across departments and among resident missions, and has been "bottom-up". The major factors affecting the implementation of the commitments, in general, appear to be staff knowledge and ownership of the Paris Declaration. At the resident missions and in the country teams, countries' ownership of their national development plans and their ability to coordinate Development Partners are key determinants of compliance. The roles of disseminating information and building staff awareness cannot be underestimated. A strategy for doing so would provide consistency in the message and guidance to the staff.

Implementation of the Paris Declaration is not necessarily resource-neutral under the current organisational set-up. Alignment and coordination activities can require much time, which may impact on other staff responsibilities such as project/programme implementation and supervision. A careful analysis of the additional resource requirement(s) is necessary to ensure that staff do not face difficult trade-offs among their responsibilities. Guidance is needed on the prioritisation that should be accorded to this area versus other apparently equally pressing agendas.

Where ADB is an established Development Partner in a sector or area, other Development Partners are more likely to expect it to play a lead role in coordinating assistance and in leading policy dialogue. ADB is frequently perceived to be a reliable and honest "broker", and government officials, country-based Development Partners, and civil society often expect ADB to take much more of a leadership role. However, in some

cases, ADB appears reluctant to do so because of inadequate resources.

While the Paris Declaration requires that Development Partners develop or strengthen the capacity for preparing national strategies where none is available, there is no guidance on how Development Partners are to conduct themselves in the absence of a national development strategy. Thus, in this environment, there is the potential for Development Partners to support individual projects that may not necessarily be prioritised by the government or that may duplicate the efforts of others.

### Recommendations for ADB

To meet all the targets of the Paris Declaration and improve implementation, ADB might consider, among others, the following main recommendations:

### Recommendations for OECD/DAC and the High Level Forum

The scope and definitions of indicators for measuring an organisation's progress in meeting the Paris Declaration targets need to be reviewed vis-à-vis significant activities that are not presently captured. The varying stages of implementation and ownership of the Paris Declaration could be better recognised within the current set of monitoring indicators or by developing new ones. In the absence of an operational development strategy, guidelines on and/or indicators capturing how Development Partners would coordinate their assistance are recommended.

Recommendation	Responsibility	Time-frame
1. ADB's commitment to the Paris Declaration needs to be communicated regularly, with visible demonstration of support by ADB Management.	Management, SPD, regional departments, operations support departments	Next 9 months
2. For more effective implementation, there is need to designate a focal unit to provide overall guidance, knowledge management, monitoring, and reporting on the Paris Declaration.	Management, SPD	Next 9 months
3. Tracking and monitoring ADB's implementation of the Paris Declaration can be facilitated by developing a consolidated implementation and monitoring framework that considers the commitments under each pillar. This would include outlining ADB's planned actions to meet the commitments under the five pillars.	Management, SPD, regional departments, operations support departments	Next 12 months
4. There is need for better guidance and staff capacity development to facilitate implementation, and monitoring and reporting on the progress of implementation.	SPD, BPMSD, regional departments, operations support departments	Next 12 months
5. ADB needs to better understand the resource implications of meeting its Paris Declaration commitments with a view to providing guidance to staff on trade-off choices or, where deemed necessary, reallocation of and/or additional resources and the priority that various activities should have.	SPD, BPMSD, regional departments, operations support departments	Next 12 months

ADB = ADB; BPMSD = Budget, Personnel and Management Systems Department, SPD = Strategy and Policy Department.