



Chair's Summary for the 08 October 2018 Meeting

2019-2021 IED Work Program and 2019 Budget

1. The Development Effectiveness Committee (DEC) discussed the proposed 2019-2021 Independent Evaluation Department (IED) Work Program and 2019 Budget. The proposed work program seeks to improve the balance of IED's product mix, strengthen the use of evaluation for knowledge purposes, address evaluation gaps and key risks to development outcomes in ADB operations, and strengthen the quality and credibility of evaluation efforts.
2. **Proposed 2019-2021 IED Work Program and 2019 Budget.** IED discussed its twin mandate of evaluation (accountability) and knowledge (learning). IED evaluation covers review at corporate, thematic, country, sector, and project levels; IED's knowledge function covers communications and outreach, and knowledge and evaluation capacity development activities. For the remainder of 2018, IED will deliver its reports on ADB support to state-owned enterprises, agriculture, sector assistance program evaluation (SAPE) of Pakistan's power sector, private sector equity investment, and country assistance program evaluation (CAPE) of Azerbaijan.
3. The proposed 2019 IED work program includes the following evaluations: (i) Corporate—Multi-Tranche Financing Facility, Safeguard Policy Statement, and ADF 12; (ii) Thematic—Knowledge for Development; (iii) Sector—Transport Operations; (iv) Annual Evaluation Review (AER)—ADB Self-Evaluation: Results Framework and Scorecards; and (v) any unprogrammed work. See annex for the complete proposed IED work program for 2019-2021. IED's average annual output includes around four to five thematic, corporate, sector-wide evaluations, one AER, one CAPE, six country partnership strategy final review validations (CPSFRV), one SAPE, one sector synthesis, 14-15 project and technical assistance (TA) performance evaluations, and around 80 project completion reports (PCRs) and extended annual review reports (XARRs).
4. The proposed work program aligns with Strategy 2030 by linking evaluation and learning products with Strategy 2030 priorities, such as regional cooperation and integration in the CAREC review, climate change/environment in the evaluation of ADB climate change operations, private sector operations in evaluations of PPPs and additionality of non-sovereign operations, among others. ADB priorities in poverty/inequality, gender equality, safeguards, and One ADB operations are covered in the overarching/cross-cutting themes of the proposed evaluations.
5. The proposed 2019 IED budget increased by 4.5% from the 2018 IED budget, driven by the implementation of the TA self-assessment validation system, IED private sector evaluations expansion, and scale up of knowledge-related activities. This is in line with the 4.9% overall budget growth proposed in ADB's 2019-2021 Work Program and Budget Framework.
6. **DEC Discussion and Comments.** DEC endorsed the proposed 2019 IED Work Program and Budget, noting alignment of the 2019 IED Budget with the ADB's overall budget. It also noted the need for flexibility in IED's work program to address unprogrammed demands (including the suggested evaluation on prepayment) or avoid overstretching, which adjustments DEC can endorse to IED.
7. DEC raised some concerns on the proposed IED work program. On IED's proposed target to validate all PCRs, sufficiency of IED resources to achieve the target was raised, as well concerns over overstretching of IED and the quality of its products. DEC urged IED to consider reducing the number of lower-level evaluations and focus more on quality (rather than quantity) of IED

products, or to consider subcontracting PCR validations externally. IED clarified that PCR validations cannot be done externally and emphasized the need for balance between lower-level and higher-level evaluations, and between its 'accountability' and 'learning' functions. DEC will monitor IED's PCR validations, underscoring that IED should deliver high quality products with available resources.

8. Following informal discussions with Management, the timing and use of proposed IED products were raised, including the thematic evaluation on Knowledge for Development set for 2019, the corporate evaluation of the ADB Procurement System for Operations and the thematic evaluation of ADB's Climate Change Operations, both scheduled in 2021. On IED's evaluation of ADB's knowledge efforts, DEC noted management's ongoing preparation of a Knowledge Action Plan (KAP) set for completion at the end of 2019. It urged IED to consider the timing and delivery of its evaluation on knowledge to inform and work closely with Management as it prepares the KAP.
9. On the proposed review of ADB procurement and climate change operations scheduled for 2021, concerns raised focused on the sufficiency of data to be evaluated under the recently introduced procurement policy and guidelines. DEC views the proposed 2020-2021 work program, including the proposed evaluations on procurement and climate change operations, as merely indicative or tentative and subject to DEC discussions and endorsement.
10. IED was encouraged to focus on, and confirmed its commitment to, its knowledge sharing and capacity development mandate. IED's development impact and on ADB operations were also raised (given the numerous IED reports produced), which provides support for meta-evaluation, wherein the DEC or the Board evaluates IED, its evaluations, impact, and influence.
11. DEC noted the progress in filling staff vacancies in IED, as well as staff mobility between IED and other operations departments, which can improve budget utilization, reduce staff overstretching, strengthen evaluations skill in operations departments, and enhance IED's knowledge activities.
12. **Next Steps.** IED will discuss with Management on the delivery of IED's thematic evaluation on Knowledge for Development to optimize its contribution to SDCC's development of the Knowledge Action Plan.

Proposed 2019-2021 IED Work Program: Cross-Cutting

Evaluation Types	2019*	2020**	2021**
Corporate	<ul style="list-style-type: none"> • Multi-Tranche Financing Facility • Safeguard Policy • ADF 12 		<ul style="list-style-type: none"> • Procurement System for Operations • One ADB: Coordination of Public and Private sector operations
Thematic	Knowledge for Development	<ul style="list-style-type: none"> • PPP • Skills Development and Employability • Additionality of Non-Sovereign Operations 	<ul style="list-style-type: none"> • Climate Change Operations • CAREC
Sector	Transport Operations	Energy Sector	Finance Sector
Annual Evaluation Review	ADB Self-Evaluation (Part 1) – Results Framework and Scorecards	ADB Self-Evaluation (Part 2) – Project Self-Assessments	Progress in Supporting Sustainable Development Goals
Allocation for Unprogrammed Evaluation Work			

*Endorsed by DEC. **Indicative/Tentative.

Proposed 2019-2021 IED Work Program: Country, Sector, Project

		2019*	2020**	2021**
Country	CAPE	Indonesia	Bangladesh	Kazakhstan
	CPSRV	ARM, BHU, CAM, FIJ, NEP, PAK, PNG, PRC	LAO, MON, MYA, Pacific Approach, TAJ, TIM, VIE	AFG, TKM
Sector	SAPE	Indonesia Finance	Bangladesh Energy	Kazakhstan (Sector TBD)
	Sector Synthesis Note	Water and Urban Services	Sector TBD	Sector TBD
Projects	Impact Evaluation	Systematic Review: Road Transport	Systematic Review: Power Transmission and Distribution	Systematic Review (TBD)
	PPER	9 SOV + 3 NSO	9 SOV + 4 NSO	9 SOV + 4 NSO
	TPER	2	2	2
Validation	PCRs and XARRs	100%	100%	100%
	TCRs	Pilot and full implementation: Coverage TBD	Coverage TBD	Coverage TBD

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