Independent Evaluation of the Implementation of the Development and Business Delivery Model of the AfDB

Approach Paper

Prepared for //

African Development Bank

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Executive Summary

An independent evaluation of the implementation of the African Development Bank Group's Development (AfDB or the Bank) and Business Delivery Model (DBDM) has been launched in response to a call by the Bank's Board of Governors to undertake a review of the reforms to increase the Bank Group's capacity to deliver on its objectives. The evaluation is conducted by an independent service provider, IOD PARC and is facilitated by Independent Development Evaluation (IDEV).

The DBDM was launched in 2016 and comprises five fundamental pillars: (i) Moving closer to the client to enhance delivery; (ii) Reconfigure HQ to support the regions to deliver better outcomes; (iii) Strengthen the performance culture to attract and retain talent; (iv) Streamline business processes; and (v) Improve financial performance and increase development impact.

This Approach paper has been prepared for the AfDB's Board of Directors' approval. It is based on three key inputs: (1) A partial document review and preliminary discussions with members of the Board of Directors and senior Bank staff, held between 12 and 16 November 2018 in Abidjan, informing the evaluability assessment and design options; (2) Guidance from the Board of Directors after a presentation of evaluation design options on 30 November; and (3) Guidance from Governors during the Governors' Consultative Committee (GCC) meeting in Rome on 5 December.

Approach

The evaluation team proposes to undertake a comprehensive, rigorous and robust evaluation of all five pillars of the DBDM within the agreed timeframe of seven months. The decisions of the Board of Directors, as reflected in successive Board resolutions and TMT Updates, constitute the evaluation's point of departure.

Based on the findings of the evaluability assessment and the limited time available, the evaluation shall, to the extent possible, focus on the following questions:

1) Accountability: to what extent have reforms been implemented as planned?
2) Short-term results: did the reforms lead to the expected short-term results?
3) Effects: Is there evidence that key reforms are starting to affect the Bank's Efficiency and Effectiveness?
4) Lessons learned: what are the challenges and lessons for further improvement?

Request to Board of Directors and Next steps

The Board of Directors is invited to approve the approach to the evaluation set out in this Approach Paper. Following the Board's approval, the evaluation team will develop an Inception report, which will include: a fully developed evaluation methodology and matrix; evaluation tools; and an evaluation implementation plan. The inception report will be transmitted to the Board for information. Data collection will be carried out in the first quarter of 2019, and emerging findings will be presented to the Board and the GCC in April 2019. The final evaluation report will be submitted for Management Response and will be presented to the Board of Directors on 31 May 2019, and to the Board of Governors at the Bank's Annual Meetings in June 2019.

Introduction

An independent evaluation of the implementation of the Development and Business Delivery Model (DBDM) of the African Development Bank Group (the Bank) has been launched in response to a call by the Bank's Board of Governors to undertake a review of the reforms to increase the Bank Group's capacity to deliver on its objectives.[1] The evaluation is facilitated by the Bank's Independent Development Evaluation (IDEV) and conducted by an independent service provider, IOD PARC.

As per the TOR,[2] the *purpose* of the evaluation of the DBDM is to take stock of the implementation of the DBDM in order to draw lessons that will inform future decisions in the context of the replenishment processes for the African Development Fund (ADF) and the General Capital Increase (GCI).

The *objectives* of this evaluation are threefold:

1) Assess the current implementation status of the DBDM;
2) Assess the DBDM's contributions to the Bank's efficiency and effectiveness; and
3) Identify the main challenges and lessons to improve the development effectiveness of the reforms.

Key users of the evaluation are the Bank's Board of Governors, Board of Directors, Management and staff. It is expected that the evaluation will serve both accountability and learning purposes, and that findings and recommendations will inform decision-making processes in the Bank.

This Approach Paper has been prepared in response to a request for a short presentation of the approach for the evaluation for the AfDB's Board of Directors' approval. It is based on three key inputs obtained during the first phase (scoping phase) of the evaluation:

1) A partial document review and preliminary discussions with members of the Board of Directors and senior Bank staff, held between 12 and 16 November 2018 in Abidjan, informing the preliminary evaluability assessment[3] and design options;
2) Guidance from the Board of Directors after a presentation of evaluation design options on 30 November; and
3) Guidance from Governors during the GCC meeting in Rome on 5 December.

[1] Point 8 of the Communique Final of the 2018 AfDB Annual meetings, Busan, Korea

[2] AfDB (2018) *Independent Evaluation of the Implementation of the Development and Business Delivery Model (DBDM) of the African Development Bank Group – Information Note - Revised Version,* ADB/BD/WP/2018/228/Rev.1, 2 November 2018.

[3] i.e. "the extent to which an activity or project can be evaluated in a reliable and credible fashion". This definition of evaluability assessment according to the OECD Development Assistance Committee is the most widely quoted and used. Glossary of Key Terms in Evaluation and Results Based Management, OECD, 2010

Evaluation Approach

Evaluation focus

The subject of the evaluation is the reform agenda introduced under the DBDM. For the purposes of the study, the DBDM constitutes what has been agreed by the Board, as reflected in successive resolutions. These constitute the point of departure and baseline for the evaluation and are summarised below:

Table 1: Summary of TMT Updates to the Board and Board Resolutions

Date	Document title	TMT document	Resolution
03/05/2016	Proposal to Redesign the Bank's Business Development and Delivery Model: New Organizational Structure	ADB/BD/WP/2016/18/Rev.1/ Final	Resolution B/BD/2016/02
29/09/2016	Development and Business Delivery Model (DBDM): Implementation Update and Presentation of Sub-Structure* Addendum – Revised (1st Update)	ADB/BD/WP/2016/152 and ADB/BD/WP/2016/152/Add.1/Rev.1	Resolution B/BD/2016/13
05/10/2016	Amendments to the Approved Development and Business Delivery Model (DBDM) and Presentation of Substructure	ADB/BD/WP/2016/	
30/01/2017	DBDM Implementation Update (2nd Update)	ADB/BD/IF/2017/18/Rev.1/Final	
04/10/2017	Third TMT Update on The Implementation of The Bank's Development And Business Delivery Model (DBDM) - Final Version – Amended Final Resolution	ADB/BD/WP/2017/133/Rev.1/ Add.1/Final/Amended	Resolution B/BD/2017/17
14/05/2018	Fourth TMT Update on The Implementation of The Bank's Development And Business Delivery Model (DBDM)	ADB/BD/WP/2018/82	
26/11/2018	Draft Fifth TMT Update to The Boards on The Implementation Of The Bank's Development And Business Delivery Model (DBDM)	ADB/BD/WP/2018/272	

The DBDM was launched in April 2016. The reforms comprise five pillars:

1) Moving closer to the client to enhance delivery;
2) Reconfiguring of Headquarters to support the regions to deliver better outcomes;
3) Strengthening the Bank's performance culture to attract and maintain talent;
4) Streamlining business processes; and
5) Improving financial performance and increase development impact.

Evaluability

A rapid evaluability assessment was conducted in November 2018, involving interviews with Bank Executive Directors and HQ staff and document review. The assessment's criteria and findings are summarised below.

Evaluability in principle: The broad logic of the DBDM is that by strengthening its institutional and operational capacity through a comprehensive set of mutually reinforcing reforms, the Bank would improve its development effectiveness, in turn leading to transformative, positive outcomes for the African continent. Determining the relationship between organisational reforms in the Bank and development outcomes on the continent is extremely challenging, requiring a significant research endeavour over a timeframe well beyond that available for the evaluation. And even then, results might not be conclusive.

However, testing more intermediate effects of reforms, on the Bank's efficiency and effectiveness is in principle more tractable. On the basis of the preliminary evaluability assessment, and pending further analysis of available documents, the evaluation team's initial assessment is that documents to support evaluation of key elements are available and the underlying logic of the reforms can be articulated. It is noted, however, that any assessment of the change management process and its implications for the effectiveness of the reforms, requires the use of a range of robust evaluation tools, including access to key informants at country level. It is assumed that such access will be possible during the evaluation.

Evaluability in practice: A significant challenge for the evaluation is the varying degree of "maturity" of the reform processes in each pillar. DBDM reforms have been or are still being implemented at a different pace; as a result, there is a varying degree of evidence available for each pillar. Moreover, because the evaluation is being conducted at a time where some DBDM reforms are still ongoing, insufficient time has passed to be able to derive authoritative lessons on what has worked and what has not in the short time span of some of the reforms.

The immediate implication of this is that the depth of evaluation possible across each pillar will necessarily vary. There is verifiable evidence, including data on preliminary effects, for pillars 1, 2 and 5 in particular, but less so for pillars 3 and 4. Thus, more information on results frameworks for each pillar and expected quantitative results will be necessary.

The compressed timeline for the evaluation itself also presents a practical challenge. Whereas measures of process quality, output and some immediate outcome are evaluable in the timeframe, the methods needed to evaluate robustly further along the DBDM results chain, to include intermediate and longer-term outcomes/impact, requires more time. As such, the assessment will focus on the former measures.

Usefulness of an evaluation: The evaluation is intended for both accountability and learning purposes. Notwithstanding the practical and in principle limitations discussed above, the evaluation can provide evidence of the extent to which reforms have been implemented as initially conceived/ planned; the extent to which they have subsequently been adjusted and why; and explanations for observed performance. To the extent possible, the evaluation will also provide evidence on the achievement of short-term results within the period covered. The evaluation can also generate insights on the challenges encountered and lessons for further improvement. Furthermore, the timeline means that findings will be available to inform key Board and Governors' meetings scheduled for April and June 2019.

Nevertheless, it is stressed that the effects that DBDM reforms have had or may have in the future can only be captured to a limited extent, and mainly for pillars 1, 2 and 5, where the reforms have advanced the most. The evaluability challenges outlined here have shaped the evaluation scope and approach set out below. In addition, risks and limitations are identified also (see table 4 below) which will need further examination and possibly mitigating measures. These will be articulated in the forthcoming Inception Report.

Evaluation scope

The evaluation covers the period from April 2016 to December 2018. The cut off point for evaluation evidence is 31 December 2018, although provision can be made for considering key data up till mid-January 2019. The period 2014-15 will be used for comparison for selected reforms.

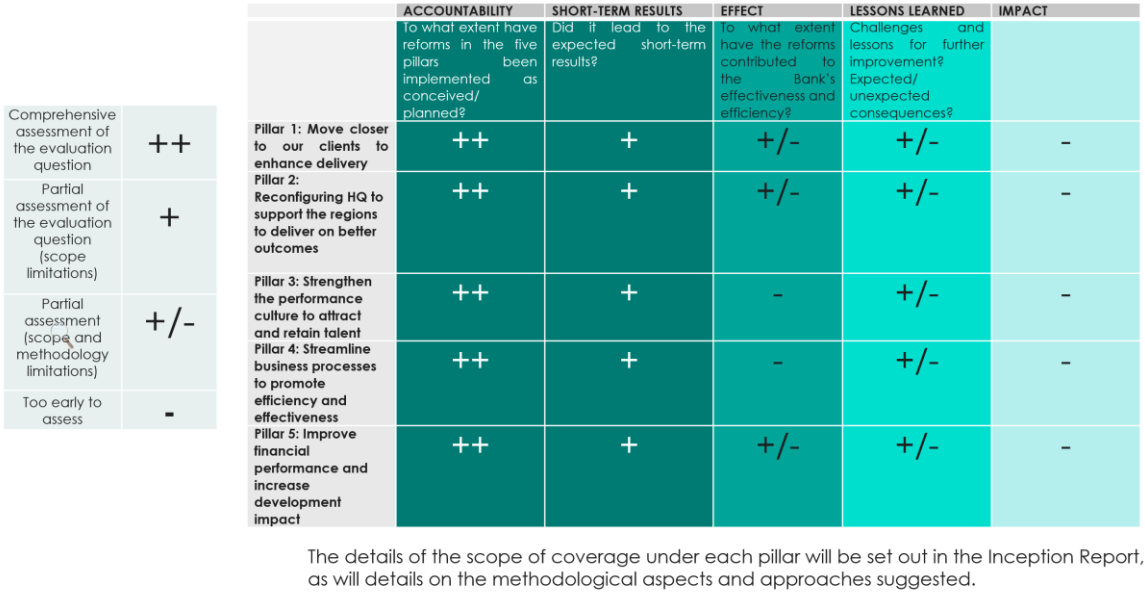
Based on the initial document review, preliminary interviews with Executive Directors and senior Bank staff in the period 12-16 November, guidance from the Board of Directors on 30 November and from Governors on 5 December, the evaluation shall, to the extent possible, focus on the following key questions:

Table 2: Key questions for DBDM evaluation focus

Accountability	To what extent have reforms been implemented as planned?
Short-term results	Did the reforms lead to the expected short-term results?
Effects	Is there evidence that key reforms* are starting to affect the Bank's Efficiency and Effectiveness?
Lessons learned	What are the challenges and lessons for further improvement?
**Reforms to be selected on a sample basis*	

Following the guidance obtained from the Board and Governors, the evaluation will be comprehensive, covering all five DBDM pillars. However, as indicated above, the in-principle evaluability challenges mean that the evaluation will focus on operational effectiveness and organisational efficiency, i.e. levels 3 and 4 of the Bank's Results Management Framework. In addition, the practical evaluability challenges mean that the depth examined in each pillar will vary (see figure 1).

Figure 1: Scope and depth of DBDM evaluation



The details of the scope of coverage under each pillar will be set out in the Inception Report, as will details on the methodological aspects and approaches suggested.

For pillar 1 (moving closer to the client) and pillar 2 (reconfiguring the HQ), based on the evaluability assessment, there is sufficient evidence to establish accountability in terms of deliverables and to some degree, the achievement of short-term results. It may also be possible to assess some effect or direction of travel of these changes, including at regional

and country level. To some extent, this will allow examination of effects and hence include an important learning element of what works and why, or why not.

Pillar 3 (strengthen the performance culture to attract and retain talent), is a central tenet of the DBDM, but also an area which is still, according to the Bank, ongoing and where there are parallel reforms. This poses methodological issues that need consideration. Furthermore, the ultimate aim - to change the culture - is a dynamic, long-term objective and change is not easily measurable at this stage. Therefore, the evaluation will examine the overall status of implementation of reforms designed to enhance the performance culture against stated plans; the extent to which short-term results have been achieved**;** and some preliminary analysis of effect where possible, for example through staff interviews.

Pillar 4 (streamline business processes) is an area where good implementation has significant potential to improve efficiency in various areas of the Bank's corporate and operational activities. The evaluation will examine the prioritisation, scheduling and implementation status of reforms for both key operational and institutional business processes. The former covers processes relating to knowledge and advisory work, programmatic engagement with countries, project/programme development/lending and implementation support. The latter covers processes relating to HR, administration, budgeting and monitoring, and resource mobilisation and partnerships. Depending on the maturity of key process reforms, the evaluation may include some preliminary analysis of the effects of reforms (actual or potential) on the Bank's efficiency and effectiveness. However, this is subject to practical constraints.

Pillar 5 (improve financial performance) is an area where a great deal of progress has been documented in subsequent TMT updates and where the Bank has carried out extensive analytical and evaluation work on different elements. The evaluation therefore proposes to focus on DBDM reforms' contribution to three elements of performance: the Bank's disbursement performance; the Bank's portfolio performance; and the experience with the Bank's loan pricing policy, approved in May 2016.

Evaluation criteria

The evaluation will follow Evaluation Cooperation Group (ECG) guidelines and principles. It will use a blend of OECD-DAC and DBDM-specific[4] criteria to guide the enquiry, focusing on the key areas of interest to Governors. This choice reflects the tight timeline we are working to and a consideration of both feasibility and the opportunity cost associated with inclusion of other criteria. Table 3 summarises the criteria selected and how they will be applied.

Table 3: Evaluation criteria

Evaluation Criteria	Source	Application/scope
Relevance	OECD-DAC	Examined at the level of specific reforms, to test their relevance to the objectives and ambitions of the DBDM
Efficiency	OECD-DAC	Examined at the level of specific reforms, to test whether the intended outputs have been delivered in line with effort expended
Effectiveness	OECD-DAC	Examined at the level of specific reforms, to test whether the objectives of reforms have been realised
Coherence	TOR	Examined at the cross-pillar/reform level, to test whether key dependencies between reforms are understood and risks managed across units

[4] As proposed in the original Terms of Reference for the evaluation.

In examining *Relevance*, the evaluation will consider in particular the extent to which reforms are client-facing/ responsive to RMC needs - a key ambition of the DBDM initiative. It will not, however, consider the relevance of the DBDM initiative as a whole.

Effectiveness relates to whether the reform has attained its objective(s). In practice, reforms may have both shorter- and longer-term objectives. The extent to which the evaluation can assess the full range of effectiveness will be case-specific. However, as a general rule, assessing the effects on the Bank's partners/clients will be more challenging given the fact that DBDM reforms have been introduced only relatively recently. Therefore, the effectiveness criterion will be assessed mainly for outputs.

Efficiency looks at the intended outputs – quantitative and qualitative –in relation to the planned effort/resources. It will consider whether outputs were achieved on time and in line with expected costs.

Coherence relates to the Bank's change management strategy, and in particular, whether the dependencies between different reforms are understood and managed in a holistic way. Critical dependencies may exist between reforms within and across DBDM pillars and with other non-DBDM initiatives.

The remaining OECD-DAC criteria (*Impact* or *Sustainability*) will not be considered, on the grounds that this is primarily an evaluation of organisational effectiveness, and any assessment of these at this point in time would be too speculative. Inclusion would also entail an opportunity cost in terms of reduced focus on the proposed, priority criteria. However, under *Effectiveness*, we will include, where possible, consideration of unintended effects. In addition, where possible, we will make use of relevant IDEV impact assessment studies, as an independent source of evidence.

Evaluation methodology

The overarching approach will be to evaluate the DBDM as a *strategy*. A complex reform package like the DBDM usually takes several years of sustained implementation for its effects to be fully manifested and benefits to be realised. For this reason, our approach will also be *theory-based*, unpacking the anticipated causal chain from activity to output, to immediate effects and ultimate intended benefits. Although we are unable to test the whole chain, we will assess accountability; short-term results; effect; and lessons learned, to the extent possible.

The evaluation team will employ a *mixed-methods* approach, using multiple lines of both quantitative and qualitative evidence drawn from both primary and secondary sources: interviews and focus group discussions, document and administrative data review, content analysis, trend and comparative analysis of "before and after", field visits to regional hubs, case studies, and perception studies. The team will systematically review, weigh and combine the different types of evidence to provide a credible evidence-based assessment.

As part of the inception report, an evaluation matrix will present further details on the use of different data collection methods for different parts of the evaluation, to confirm and nuance findings.

The evaluation design and framework are a work in progress that will be refined over time and fully developed in the forthcoming inception report. The intention at this stage is to describe the key considerations and methodological issues guiding the evaluation design, the scope of the evaluation, and the extent to which evidence can be provided against the evaluation's objectives.

Limitations and risks

The evaluation faces a number of challenges stemming from the combination of the tight timeline for the exercise and the relatively early stage of DBDM implementation. Key limitations are elaborated below with the evaluation's response. Further detail will be included as necessary in the inception report.

Table 4: Limitations, implications and response

Limitation/ Risk	Implication	Response
Breadth of DBDM reforms and tight evaluation timeline	Insufficient time to collect, process, analyse and synthesise all aspects of DBDM reform	Evaluation covers all 5 pillars but prioritises within each pillar according to a) most significant reforms; and b) stage of implementation
DBDM is an on-going process	Not all key reforms are implemented/completed, which limits ability to assess effects	Evaluation uses a theory-based approach to identify intermediate markers of progress, critical success factors and likelihood of future success.
Evolving nature of change: a moving target	Significant changes in some pillars during implementation makes it difficult to decide what to evaluate.	Trace changes/evolution of approach and justifications over time. Engage Bank staff closely to ensure we examine what is most relevant/useful.
Other reform processes outside DBDM may influence the DBDM reforms	Difficult to separate out DBDM from other initiatives (e.g. People Strategy)	Define DBDM scope clearly (based on Board approvals). Examine relationship with other reforms as critical dependencies/assumption (*Coherence*)
Challenge of assessing change at country level	Limited scope for assessment of effectiveness from perspective of Bank field offices, partners and clients	Structured/segmented approach to small-scale enquiry with country-level stakeholders. Use of interviews to test DBDM hypotheses (not generate generalisable result) Interpretation/confidence in findings based on rigorous analysis of variance Use of IDEV data to the extent possible for all results dimensions
Data and information quality and credibility	Limits the strength of conclusions possible	Use of multiple sources of data to test/ challenge / validate Bank reported performance Identify 'strength of evidence' for evaluation conclusions and implication key data limitations in final report.
Complete and timely access to data and informants	Unable to implement evaluation to intended depth / robustness if access is not readily available	Maintain constructive, open lines of communication with SVP and RDVP offices, with agreed review points and response timelines.

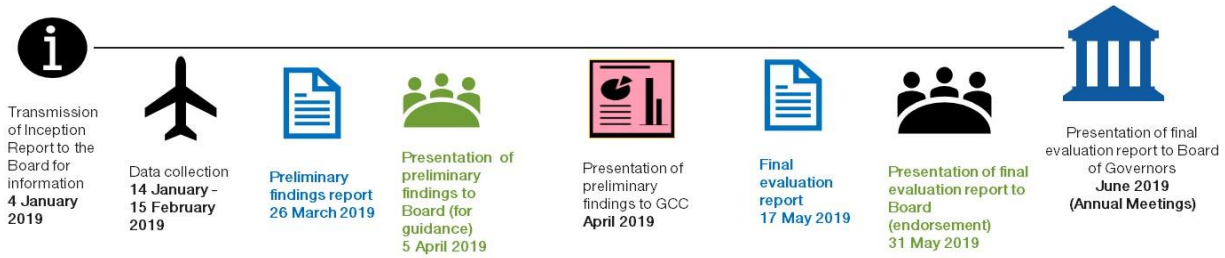
While these limitations/ risks are significant, we are confident that the proposed evaluation scope, the rigorous approach and the mitigation measures outlined above will generate robust findings. However, Bank cooperation will be critical in ensuring access to data in the timeframe envisaged.

Request to Board of Directors and Next steps

The Board of Directors is invited to approve the approach to the evaluation set out in this Approach Paper. Following the Board's approval, the evaluation team will develop an inception report, which will include: a fully developed evaluation methodology and matrix; evaluation tools; and an evaluation implementation plan. The inception report will be transmitted to the Board for information.

Data collection will be carried out in the first quarter of 2019, and emerging findings will be presented to the Board and the GCC in April 2019. The final evaluation report will be submitted for Management Response and will be presented to the Board of Directors on 31 May 2019, and to the Board of Governors at the Bank's Annual Meetings in June 2019.

Figure 2: Evaluation Indicative Timeline with Key Milestones



Annex 1: Terms of Reference

AFRICAN DEVELOPMENT BANK GROUP

Independent Development Evaluation

Independent Evaluation of the Implementation of the Development and Business Delivery Model (DBDM) of the African Development Bank

Terms of Reference

I. Introduction

The Independent Development Evaluation function has launched an evaluation of the implementation of the Development and Business Delivery Model (DBDM) of the African Development Bank Group ("the Bank, or AfDB"). This evaluation was launched following the request of AfDB's **Board of Governors** during the Bank's 2018 Annual Meeting to present an evaluation of the reforms to increase the Bank Group's capacity to deliver on its objectives.[5] The findings and recommendations of the evaluation will inform the **General Capital Increase** (GCI) discussions of the Bank in 2019.

This document serves as the ToR for the evaluation of the DBDM and the recruitment of a Consultancy Firm to carry out the evaluation. The ToR is organized into four sections: Section I provides the background of the DBDM. Section II highlights the objectives, scope criteria and approach for the evaluation. Section III defines the tasks and professional profile expected of the consultancy firm. Section IV sets out the expected deliverables of the evaluation and the respective timelines.

II. Background

In 2016, AfDB launched a bold, bank-wide organizational and institutional reform to sharpen its medium-term strategy and improve its operational efficacy. The reforms first reformulated the Bank's Ten-Year Strategy (TYS) into five high priority strategic objectives (High 5s): Light up and Power Africa; Feed Africa; Industrialize Africa; Integrate Africa; and Improve the quality of life for Africans. The main objective of the High 5s are to significantly scale up implementation of the TYS to accelerate development impact and focus on the five high priority objectives.

Following the adoption of the TYS High 5s, the Board of Directors of the African Development Bank (AfDB or the Bank) approved the Development and Business Delivery Model (DBDM) on 22 April 2016. According to the Board's resolution,[6] the new model's main objectives are derived from three sets of core principles:

1. Alignment with the strategic objectives of the TYS and its High 5s to accelerate delivery and development impacts.
2. Increased proximity to its clients through greater presence in RMCs, including senior leadership, managerial capacity and high-quality staff on the ground to more effectively drive the business and development impacts of the Bank.
3. Improved organizational effectiveness through faster decision-making, greater transparency,

[5] Point 8 of the Communique Final of the 2018 AfDB Annual meetings, Busan, Korea

[6] ADF/BD/WP/2016/16/Rev.1/Add.1/Final of 26 April 2016: Final resolution on the proposal to redesign the Bank's Business Development and Delivery Model.

and a stronger performance culture.

At the core of the new DBDM model is the objective of building stronger regional capabilities and bringing responsibility for client activities closer to the RMCs and regions. The responsibility for delivery will be vested in five Regional Development, Integration and Business Delivery Hubs, each run by a Director General who will report to the Vice President of the new Regional Development, Integration and Business Delivery Complex. The Directors General of the regional hubs will have overall responsibility to drive the regional development and business operations of the Bank and will supervise all country managers and all sector staff within their respective regions. They will be given greater delegated authority and will effectively manage and deliver Bank's operations and knowledge products, in an integrated manner, in support of all the countries in their region of responsibility.

To complement the Regional Development and Business Delivery Complex, Management proposed the creation of sector complexes, each led by a Vice President and focused on the Bank's priorities in their respective areas. These are (a) the Power, Energy, Climate and Green Growth sector complex; (b) the Agriculture, Human and Social development complex; and (c) the Private Sector and Infrastructure complex. The Chief Economist's Complex will provide leadership for macroeconomic management, knowledge management, governance and counter-cyclical budget support. Although operations will be almost exclusively in the regions, the sector complexes were conceived as having three crucial roles in delivering the TYS High 5s:

1. Develop strategies in their respective areas and help the regional hubs execute them;
2. Represent the Bank vis-à-vis external stakeholders;
3. Ensure deep sector expertise and make it available to the Regional Hubs.

At the same time, the Management proposed to undertake additional structural changes at headquarters aimed at streamlining functions and consolidating departments with similar mandates to increase their operational effectiveness and reduce costs. All of these structural changes to the Bank's operating model were to be implemented without additional budgetary resources beyond those already approved by this Board, the proposed organizational structure being budget neutral up to the end of 2018.

The DBDM focuses on achieving five institutional foundations within the Bank:[7]

1. Move closer to clients to enhance delivery[8] by implementing a Decentralization Action Plan;
2. Reconfigure HQ to support the regions to deliver better outcomes[9] by reforming Sector Complexes;
3. Strengthen the performance culture to attract and maintain talent through a revamped Human Resources Strategy;
4. Streamline business processes; and
5. Improve financial performance by introducing a new pricing model and increase development impact.

The DBDM has been under implementation since April 2016. The documentation available to date shows that Management had submitted five updates on the status of implementation of the DBDM. The Board of Governors of the Bank have tasked Independent Development Evaluation to carry out evaluation of the effectiveness of the DBDM and report on the findings.

[7] https://www.afdb.org/en/news-and-events/afdb-to-improve-performance-development-impact-under-new-development-and-business-delivery-model-15888/

[8] In order to implement the first pillar, the Board approved the updated Decentralization Action Plan in line with the DBDM on 22 June 2016

[9] A new Bank organogram was approved on 22 April 2016 along with the DBDM. Updated on September 2017

III. Purpose, Scope and Approach

a. Purpose and objectives

The purpose of the evaluation of the DBDM is to inform future decisions in the context of the discussions on a General Capital Increase (GCI). The evaluation is expected to perform both the learning and accountability functions. The specific objectives of this evaluation are threefold:

1) To assess the current status of implementation of the DBDM;
2) To assess the contribution of the DBDM implementation to effectiveness and efficiency in the Bank; and
3) To identify key challenges and lessons to improve the development effectiveness of the reform.

b. Scope

The evaluation will cover the entire DBDM structure through an assessment of the five pillars as building blocks of the reform. The evaluation will cover the period from the adoption of the DBDM in April 2016 to the end of 2018. For purposes of comparison, the evaluation will also consider data for the period 2014-2015.

c. Evaluation Criteria

The evaluation will follow ECG guidelines and principles. To the extent possible and relevant to this evaluation, it will also use OECD-DAC evaluation criteria – relevance, effectiveness, efficiency and sustainability. However, not all these criteria may be fully applicable to this evaluation of organizational effectiveness.

Consequently, the DBDM will be evaluated as a strategy by identifying key evaluation hypotheses to assess the strategic objectives of the reform. The hypothesis below provides general lines of enquiry to be addressed during the assessment of development effectiveness and value addition of the DBDM.

i. **Consistency:** The DBDM's objectives are consistent with the goals, objectives and policies with the existing strategic framework of the Bank.
ii. **Consonance:** The DBDM represents an organizational adaptation to the development environment of the Bank (both opportunities and constraints) that would ensure greater responsiveness to RMCs' needs.
iii. **Coherence:** The parallel reforms essential to the achievement of outcomes have been carried out and are supporting DBDM objectives.
iv. **Advantage:** The DBDM provides for the creation and/or the maintenance of the Bank's competitive advantage (to be specified).
v. **Feasibility:** Whether by increasing efficiency, the implementation of the DBDM is feasible within the existing resource envelope.

An **Options Paper** will be prepared for the consideration by the Board and would have detailed methodology mapping out how these criteria can be adapted to the evaluation.

d. Approach

Considering the complex structure of the reform and its specific pillars, it is proposed to break the evaluation into five building blocks composed of the five pillars of the DBDM. Given the synergy between them, the five building blocks will be evaluated together and will be included within one synthesis report on the effectiveness of the DBDM. It must be noted that these blocks have not reached the same level of maturity in terms of implementation. During the inception phase, an **evaluability assessment** of each of the 5 pillars will be conducted based on their implementation status. This will help to determine what can be evaluated and the added value of the evaluation of each block. The corresponding level of effort needed for each of these pillars will be elaborated further in the Options Paper.

The evaluation is a **formative exercise** that will be **theory-based**, using multiple lines of evidence to

provide credible evidence-based answer to the evaluation questions identified above. Nonetheless, the evaluation approach should be strategic as the organizational effectiveness of the DBDM is key to the future of the Bank's development effectiveness and central to future decisions such as the ADF replenishment and the General Capital Increase.

A reform like the DBDM will take several years of sustained implementation for its effects to be fully manifested and benefits to be realized. This points to the importance of developing a credible **results framework** with relevant process and intermediate outcome indicators, and a mechanism to monitor them to inform any future reconsideration or additional reform efforts. It is therefore important that the evaluation provide a strong opportunity for learning and improvement while at the same time responding to the concerns of the main users of the evaluation report.

The proposed steps for this mixed methods approach are as follows:

- Consult with the Board and Management on the scope and objectives of the evaluation;
- Develop an Options Paper with the evaluation approach based on an evaluability assessment of the DBDM pillars for consideration of the Board;
- Prepare an Inception Report with detailed methodology based on the option chosen, document review and implementation plan for the evaluation;
- Collect, analyze and interpret findings to produce evaluation report;
- Draft Evaluation Report;
- Consult with Stakeholders and the Reference Group as part of the quality assurance process; and
- Finalize the evaluation report.

IV. Objectives of the Assignment, Tasks and Consultancy Firm's profile

a. Objectives of the assignment

The overall objective of this assignment is to carry out the evaluation of implementation of the Bank's DBDM. The Consulting Firm will be responsible for identifying and systematically synthesizing evidence from various sources, and conducting the evaluation following the OECD-DAC evaluation criteria and principles as well as the good practices from the Evaluation Cooperation Group (ECG).

b. Tasks

Independent Development Evaluation intends to recruit a consulting firm to carry out the DBDM evaluation. An Independent Development Evaluation Task Manager will facilitate this independent evaluation by the consulting firm which is expected to provide the following services:

a. Undertake consultations with AfDB management and the Board members on the scope and methodological approach to be undertaken for the evaluation;
b. Prepare an Options Paper including an evaluability assessment and clearly stating the various options that can be adopted in the evaluation;
c. Prepare an Inception Report with a fully developed methodology, including a Conceptual Framework, Theory of Change and evaluation tools for the DBDM evaluation and evaluation implementation plan;
d. Undertake collection and analysis of data obtained through a comprehensive review of all relevant documents, interviews with AfDB managers, focus group discussions with relevant staff groups representing the country and sector teams, field visits to the Bank's Headquarters and Regional Offices;
e. Share emerging findings and contribute to consultations with the Reference Group on these findings prior to drafting the Evaluation Report;
f. Prepare a draft evaluation report for review by Independent Development Evaluation Management, the Reference Group and other stakeholders;
g. Address in the Final Report the feedback received from Independent Development Evaluation, the Reference Group and other stakeholders; and
h. Undertake other duties identified as supporting the smooth conduct of the evaluation.

Required profile

The Consulting Firm to be considered for the evaluation must demonstrate an in-depth knowledge of multilateral development banks (MDB) in general, and AfDB operations and management systems in

particular. It must also be able to demonstrate previous experience in conducting corporate evaluations, including of organizational effectiveness, and a successful track record of engagement with change management processes in MDBs. It must have no conflict of interest in evaluating the implementation of the Bank's DBDM. The following qualifications and experiences are expected from the consulting firm:

i. Proven background in evaluation of development assistance, country strategies, projects, and experience working in Africa.
ii. Strong knowledge of multilateral development institutions' context. Experience of working for the AfDB on organizational and/or financial issues is an advantage.
iii. Previous experience in evaluation of thematic issues in multilateral institutions other than the African Development Bank.
iv. Excellent understanding and experience of evaluation principles and practices, including the use of Theory of Change and the development of strategic lessons and recommendations.
v. Experience in researching, analyzing, consolidating, and presenting quantitative and qualitative data.
vi. Highly skilled and multidisciplinary evaluation team with proven technical experience in evaluating projects/programs in the five pillars of the DBDM.
vii. The proposed team must also demonstrate fluency in both English and French.
viii. The proposed team must include the appropriate junior/analytical staff necessary to handle the volume of data to be analyzed.

V. Level of Effort, Timeline and Deliverables

The estimated level of effort for this evaluation is **240 staff days**. This assignment should be completed within a maximum period of 7 months, beginning from early November 2018. The table below presents an indicative timetable of the tasks, tentative dates, and deliverable for the evaluation.

DELIVERABLES AND INDICATIVE TIMELINE[10]

Tasks / Deliverables	Date/period
Recruitment of the Consulting Firm	30 Oct 2018
Initial consultations with Board and Management (Abidjan)	8-12 Nov 2018
Debriefing to CODE/Sr. Management	12 Nov 2018
Draft Options Paper	19 Nov 2018
Revised Options Paper	26 Nov 2018
PPT Presentation to CODE	TBD
PPT Presentation to GCC	4/5/6 Dec 2018
Draft Inception Report	19 Dec 2018
Final Inception Report	27 Dec 2018
Inception Report Presentation to CODE	10 Jan 2019
Data collection (HQ + 5 country / RD visit)	14 Jan-15 Feb 2019
First draft Preliminary Findings report	7 Mar 2019
Final draft Preliminary Findings report	18 Mar 2019
Preliminary Findings Presentation to CODE	5 Apr 2019
Preliminary Findings Presentation to GCC	April 2019
Draft evaluation report	19 Apr 2019
Final evaluation report	3 May 2019
Evaluation Presentation to CODE	31 May 2019
Evaluation Presentation to GCC	June 2019 (at Annual Meetings)

[10] The option selected by Board in the Options Paper may impact the timeline.

Annex 2: List of core documents

African Development Fund (2016) ADF-14 Report, ADF

African Development Fund (2016) Revised ADF-14 Financing Framework and Resource Allocation Scenarios, ADF-14 Third Replenishment Meeting, November 28-29 2016, Luxembourg

African Development Bank/ African Development Fund (2018) Communiqué of the Fifty-Third Annual Meeting of the Governors of the AfDB and Forty-Fourth Annual Meeting of the Board of Governors of the ADF, Busan, Republic of Korea, 21025 May 2018

African Development Bank (2018) 2018-2022 People Strategy – Revised Version, 30 April 2018

African Development Bank (2018) African Development Bank Organogram, approved by the Board 20 September 2017, updated and published 25 October 2018

African Development Bank (2018) Annual Development Effectiveness Review 2018, AfDB

African Development Bank (2018) Annual Report 2017, AfDB

African Development Bank (2018) Corrigendum: 4th TMT Update to the Board on the Implementation of the Bank's Development and Business Delivery Model, 2018

African Development Bank (2018) Draft 5th TMT Update to the Board on the Implementation of the Bank's Development and Business Delivery Model (DBDM), 26 November 2018

African Development Bank (2018) Fourth TMT Update on the Implementation of the Bank's Development and Business Delivery Model, 14 May 2018

African Development Bank (2018) Independent Evaluation of the Implementation of the Development and Business Delivery Model (DBDM) of the African Development Bank Group – Revised Version, ADB/BD/WP/2018/228/Rev.1, 2 November 2018

African Development Bank (2017) Development and Business Delivery Model (DBDM): Implementation Update, AfDB, 30 January 2017

African Development Bank (2017) Refreshing our Performance Management Framework: Questions and Answers – Addendum, 17 January 2017

African Development Bank (2017) Second Transformation Management Team Report to the Board, 24 January 2017

African Development Bank (2017) Third TMT Update on the Implementation of the Bank's Development and Business Delivery Model – Final Version, AfDB, 10 October 2017

African Development Bank (2017) Third TMT Update on the Implementation of the Bank's Development and Business Delivery Model – Final Version: Amended Final Resolution, AfDB, 4 October 2017

African Development Bank (2016) A Proposal to Redesign the Bank's Development and Delivery Model: Final Version, 3 May 2016

African Development Bank (2016) AfDB to improve performance, development impact under new Development and Business Delivery Model, 27 June 2016

African Development Bank (2016) Amendments to the Approved Development and Business Delivery Model (DBDM) and Presentation of the Sub-Structure, 5 October 2016

African Development Bank (2016) Development and Business Delivery Model (DBDM): Implementation Update and Presentation of Sub-Structure: Addendum - Revised, AfDB, 29 September 2016

African Development Bank (2016) Mise a jour du plan d'action de la decentralisation conformement au nouveau modele de developpement et de prestation de services – Revise, 9 June 2016

African Development Bank (2016) People Strategy 2015 – Revised: Questions and Answers, 18 February 2015

African Development Bank (2015) Proposition de mise à jour du plan d'action pour la decentralisation 2015-2017 – Revise, 26 June 2015

African Development Bank (2015) Proposition de mise à jour du plan d'action pour la decentralisation 2015-2017 – Revise: Addendum, 25 June 2015

African Development Bank (2015) Proposition de mise à jour du plan d'action pour la decentralisation 2015-2017 – Revise: Addendum, 9 June 2015

African Development Bank (2015) Proposition de mise à jour du plan d'action pour la decentralisation 2015-2017 – Revise: Criteres de Selection de L'Emplacement Du Centre De Ressources Regional Pour L'Africa Du Nord, 2 September 2015

African Development Bank (2015) Review of the Two Pilot Regional Resource Centres (RRCs) in Nairobi and Pretoria, 4 June 2015

African Development Bank (2015) Review of the Two Pilot Regional Resource Centres (RRCs) in Nairobi and Pretoria: Management Response, 5 June 2015

African Development Bank (2015) The Bank's Medium-Term Financial Performance Outlook – Revised Version, 30 March 2015

African Development Bank (2014) Occupational Health and Safety Policy Framework Paper, 22 January 2014

African Development Bank (2014) Review of the Bank Group's Fiduciary Risks and Safeguards in the Context of the Decentralization Roadmap, 13 October 2014

African Development Bank (2014) Review of the Bank Group's Fiduciary Risks and Safeguards in the Context of the Decentralization Roadmap – Management Response, 13 October 2014

African Development Bank (2013) At the Center of Africa's Transformation: Strategy for 2013-2022

African Development Bank (2011) Decentralization Roadmap – Final Version, 20 April 2011

Board of Directors (2016) Resolution B/BD/2016/13: The African Development Bank Development and Business Delivery Model (DBDM): Implementation Update and Presentation of Substructure, 7 October 2016

Board of Directors (2016) Resolution B/BD/2016/02: Proposal to Redesign the Bank's Business Development and Delivery Model: New Organizational Structure, 22 April 2016

IDEV (2018) Getting to Results: IDEV Annual Report 2017, Independent Development Evaluation, African Development Bank

IDEV (2017) The African Development Bank's Human Resource Management Policy and Strategic Directions: A Formative Evaluation, Independent Development Evaluation, African Development Bank

MOPAN (2016) African Development Bank: Institutional Assessment Report, MOPAN 2016-2016 Assessments, MOPAN Secretariat

Annex 3: List of interviews conducted

Interviews conducted during evaluation team visit to Abidjan 12-16 November 2018

	Name	Designation	Department/Complex
Board			
1.	CUDRE-MAUROUX Catherine	Chair CODE, ED for Switzerland, Germany, Luxembourg, and Portugal	Board of Directors (BDIR)
2.	DIAMANTI Federica	ED for Italy, Netherlands, and UK	
3.	DOSSO Moussa	ED for Côte d'Ivoire, Equatorial Guinea and Guinea	
4.	DOWD Steven	ED for USA	
5.	ISAKSSON Karin	ED for Denmark, Finland, India, Norway and Sweden	
6.	LEBASTARD Dominique	ED for Belgium, France and Spain	
7.	LEKHETHE Mmakgoshi E. P.	ED for South Africa, Swaziland and Lesotho	
8.	MABIALA Martine	Chair CAHR, ED for Benin, Burkina Faso, Cape Verde, Comoros, Gabon, Mali, Niger and Senegal	
9.	MELLALI Soraya	ED for Algeria, Guinea-Bisseau and Madagascar	
10.	NGIMBI Luis	Advisor to ED Heinrich Gaomab for Angola, Mozambique, Namibia and Zimbabwe	
11.	OKOGU Bright Erakpoweri	ED for Nigeria, São Tomé and Príncipe	
12.	STEVENSON David	Chair ECAM, ED for Canada, China, Korea, Kuwait and Turkey	
13.	YANO Takuji	ED for Japan, Saudi Arabia, Argentina, Austria and Brazil	
14.	ZAYED Ahmed Mahmoud	ED for Egypt and Djibouti	
VPs and DGs			
15.	BOAMAH Charles	Senior Vice President	
16.	BLANKE Jennifer Day	Vice President	Agriculture, Human and Social Development (AHVP)
17.	GUISLAIN Pierre	Vice President	Private Sector, Infrastructure and Industrialization (PIVP)
18.	HOTT Amadou	Vice President	Power, Energy, Climate and Green Growth (PEVP)
19.	SHERIF Khaled F.	Vice President	Regional Development, Integration, And Business Delivery (RDVP)
20.	TURNER Timothy	Group Chief Risk Officer	Group Risk Management (PGRF0)

21.	NMEHIELLE Vincent O.	Secretary General	Office of the Secretary-General & General Secretariat (PSEG0)
22.	ROT-MUNSTERMANN Karen	Evaluator General (acting)	IDEV
23.	AKIN- OLUGBADE Marie-Laure	Director-General	West (RDGW)
24.	DORE Ousmane	Director-General	Central (RDGC)
25.	NEGATU Gabriel	Director-General	East (RDGE)
Management and others			
26.	ABIMBOLA Temilade	Advisor to Senior Vice President	(SNDI0), member of the TMT
27.	FAAL Ebrima	Senior Director, Nigeria	
28.	J. M. VENCATACHELLUM Désiré	Director	FIRM
29.	KANE Racine	Deputy Director general	Central Africa
30.	KEI-BOGUINARD Patrick	Director	Director SNVP and SMCC Secretariat (SNDI)
31.	MIZRAHI Simon	Director	Quality Assurance and Results (SNDR)
32.	NALLETAMBY Stefan	Director	Financial market development (PIF)
33.	OUMAROU Amadou	Director	(PICU), chair of DAPEC
34.	DIABI Kadidia	Former country manager (Togo)	RDGW
35.	DIALLO Amadou Bassirou	Manager	RDGW1
36.	NZEYIMANA Armand	Division manager	SNDR2
37.	Foday	OIC IDEV.1	IDEV.1
38.	MAMPUZHASSERIL Madhusoodhanan	OIC IDEV.2	IDEV.2
39.	RUDOLPH Jochen	OIC	Water Coordination & Partnerships (AHWS.1)
40.	KITAKULE-MUKUNGU Jessica	Lead Corporate services Office	CSVP
41.	EZINWA Chude	Lead HR/Operations	Human Resources Management (CHHR)
42.	ABIOLA Wilfrid	Chief Governance Officer	Governance and Public Financial Management Coordination Office (ECGF/ECVP)