
Management Response

April 2022
Management welcomes the findings of the Evaluation conducted by the Department of Independent Development Evaluation (IDEV) on the African Development Bank Group’s strategies and programmes in Benin during the 2012-2021 period. Management agrees with the lessons, conclusions and five main recommendations of the Evaluation, which are consistent with the findings of the project monitoring and supervision missions and portfolio performance reviews. The Evaluation’s recommendations will inform the design of the new country strategy for the period 2022-2026 and will guide the implementation of current operations and the design of future operations.

INTRODUCTION

The Independent Development Evaluation Department has finalised the evaluation of the African Development Bank’s strategies and programmes in Benin for the period 2012-2021. During this period, the Bank prepared two Country Strategy Papers (CSPs): CSP 2012-2016 and CSP 2017-2021. These CSPs are built on three pillars: (i) strengthening of competitiveness and regional integration support infrastructure, (ii) promotion of good governance, and (iii) the development of agricultural and agro-industry value chains.

The Evaluation found the overall relevance, coherence and effectiveness of the Bank’s strategies and programmes to be satisfactory over the period under review, although efforts are still needed to improve the coordination of interventions across sectors, to enhance the effectiveness of energy sector interventions, and to develop private sector operations. On the other hand, the Evaluation found the efficiency and sustainability of the Bank’s interventions during the period under review to be partially unsatisfactory, due to delays in project implementation caused, among other things, by start-up delays, lack of knowledge on and cumbersome procurement procedures, weak capacity of project implementation units, the impacts of the COVID-19 pandemic, and inadequate maintenance of investments carried out.

Management agrees with the findings and recommendations of the evaluation. Indeed, the issues of private sector development, investment efficiency and sustainability of interventions, as well as the improvement of quality at entry of operations were also raised by the Committee on Operations and Development Effectiveness (CODE), and the team already took this into account in Benin’s CSP 2017-2021 completion report.

In line with the recommendations made, Management will develop the new country strategy 2022-2026 focused on accelerating structural transformation through private sector development, industrialisation, developing agricultural value chains, and strengthening productivity and economic competitiveness support infrastructure. Management also undertakes to mobilise the relevant sectoral departments of the Bank to implement the Evaluation’s recommendations. Lastly, the recommendations will inform dialogue with the Government of Benin, development partners, and other key stakeholders to strengthen policy dialogue.

RELEVANCE

The relevance of the Bank’s strategies and programmes for the period 2012-2021 was deemed satisfactory. The Bank’s interventions have been generally aligned with national policies and strategies, particularly the "Benin 2025" Vision and its operational thrusts, namely the Growth and Poverty Reduction Strategy (GPRS III-2011-2015), the Government Action Programme (PAG/2016-2021) and the National Development Plan (PND/2018-2025). By focussing its interventions on strengthening competitiveness and regional integration support infrastructure, developing agricultural and agro-industry value chains, and improving governance, the Bank has responded to Benin’s development priorities and challenges. Moreover, the Bank’s interventions are aligned with Benin's various sectoral guidelines and policies. Furthermore, the Bank's interventions during the period under review were highly relevant to the Bank's policies and strategies at the corporate level.

The Bank will endorse the new Government Action Programme (PAG/2021-2026), approved in December 2021, and whose implementation has already begun.

COHERENCE
The evaluation deemed the coherence of the Bank’s portfolio of activities in Benin between 2012 and 2021 satisfactory. However, the coordination of interventions between the various sectors has been weak, except between the energy and governance sectors due to the integration of a strong "energy" dimension in the budget support programmes. Management notes that there was an inadequate coordination of interventions between sectors, and undertakes, in the implementation of the new 2022-2026 strategy, to strengthen the coherence of the overall Benin country programme, with an emphasis on synergies between the different sectors of intervention.

Furthermore, Management agrees with the observation that the Bank did not carry out any private sector operations during the period under review. However, it stresses that studies and several initiatives have been taken to prepare for private sector operations, and efforts will be made to implement projects over the period of the new CSP 2022-2026. Within this framework, the Bank plans to strengthen its support to private sector development by supporting government strategies and policies on the one hand, and private sector projects, on the other hand, notably the GloDjigbé Special Economic Zone (GDIZ).

**EFFECTIVENESS**

The Evaluation found the effectiveness of the Bank’s support to Benin during the period 2012-2021 to be satisfactory overall. The effectiveness of interventions in the transport, water and sanitation, agriculture and governance sectors was rated satisfactory, while the effectiveness of interventions in the energy sector was rated partially unsatisfactory. In general, the Bank’s intervention over the 2012-2021 period has made it possible to satisfactorily strengthen infrastructure in Benin.

In the transport sector, approximately 191 km of road developments were carried out. The evaluation noted that these roads have contributed to improving the movement of people and goods, as well as regional trade. The Evaluation also highlighted the progress made in the water and sanitation sector as a significant number of physical achievements were made and impacts attained in terms of access to safe water and sanitation, ownership and management of faecal sludge. It also noted that in the agriculture sector, projects are achieving satisfactory levels of implementation overall, boosting production capacity and improving the living conditions of beneficiaries.

However, results in the agricultural sector still need improvement in terms of entrepreneurship development and the installation of women and young people. Management takes note of these shortcomings and will work to improve these aspects in the implementation of ongoing projects, and in the design of future operations in the agricultural sector.

In the area of governance, the Evaluation found that the Bank’s actions have led to improvements in tax revenue mobilisation, public procurement, business climate, private sector development support policies, and energy sector governance. For the latter sector, the effectiveness of interventions is considered partially unsatisfactory due to significant delays in the implementation of ongoing projects, notably the Rural Electrification Project (PERU) and the SBEE Sub-transmission and Distribution System Restructuring and Extension Project (PRESREDI). To improve efficiency in this sector, Management has already taken action in relation to the relevant sectoral department to speed up the implementation of PERU and restructure PRESREDI. Furthermore, Management takes note of the efforts to strengthen activities related to the socio-organisational and capacity building aspects of infrastructure management to improve the effectiveness of projects.

**EFFICIENCY**

The efficiency of AfDB interventions in Benin over the 2012-2021 period is considered partially unsatisfactory. This is due to delays in the implementation of projects, particularly start-up delays, lack of knowledge of, and cumbersome, procurement procedures, and the weak capacity of project implementation units. The delays are explained in particular by the poor quality of projects at entry, particularly (i) delays in the operationalisation of project management teams, (ii) the unavailability of certain management tools at the start of projects, (iii) the lack of land tenure security and problems concerning the timely vacation of rights of way for the building of certain project infrastructure, (v) difficulties in mobilising national counterpart funds, and (iv) the weak technical and/or financial capacities of certain contractors awarded the works contracts. During 2020 and 2021, the COVID-19 pandemic affected the implementation of project activities, causing delays as well.

Management takes note of these observations and will work with the Bank's sectoral departments to improve the quality at entry of operations. Thus, Management will encourage advanced contracting, and establishment of the project team before the start of projects. Action plans for accelerating project implementation will be prepared and implementation will be closely monitored by the government and the
Bank. In addition, the Bank will continue to organise regular fiduciary clinics to build the capacity of project implementation units. In addition, Management will continue efforts to strengthen dialogue with the line sectoral ministries of the projects in order to ensure their involvement and commitment in the implementation of projects.

SUSTAINABILITY

The Evaluation rated the sustainability of the Bank’s interventions in Benin over the period 2012-2021 as partially unsatisfactory. The lack of sustainability is mainly due to the significant delays in project implementation, which negatively impact on the implementation of socio-organisational and institutional activities that should ensure the sustainability of operations. Indeed, sustainability is rated satisfactory for the water & sanitation and governance sectors, while it is partially unsatisfactory for the energy and agriculture sectors, and unsatisfactory for the transport sector. For the latter sector, weaknesses in road maintenance threaten the sustainability of roads in the short/medium term.

Management acknowledges these findings and will strengthen dialogue with the government and other development partners to improve Benin’s road maintenance system. It is against this backdrop that Management recruited a transport expert for the Benin Country Office (COBJ) in November 2021 to ensure close monitoring of transport projects and to strengthen sector dialogue.

CROSS-CUTTING ISSUES

The Evaluation found that cross-cutting issues (including gender, environment, climate change, and inclusiveness) were mainstreamed into the design and implementation of the Bank’s country strategies and operations over the period under review. For gender, Management agrees with the Evaluation on the need for a more comprehensive approach with priorities for tackling gender inequalities. The Bank conducted a study on the Gender Profile in 2021, jointly with the Beninese government and partners (UN Women, UNDP, WAEMU). Implementation of the study recommendations will allow for a comprehensive approach to reducing gender inequalities and strengthening the gender dimension in the national development process. In addition, the Bank is committed to intensifying the dialogue on reducing gender inequalities in the implementation of CSP 2022-2026.

Regarding environmental and social safeguards, the Evaluation found that environmental and social standards are complied with in accordance with Bank guidelines and Benin’s environmental assessment legislation, both in project design and implementation. The environmental and climate change resilience dimensions are taken into account in agricultural projects through sustainable natural resource development and management. In addition, the Bank’s interventions in the livestock sector have contributed to mitigating the effects of climate change on transhumance, the scarcity of pastoral resources and the risk of conflicts between farmers and herders. In the forestry sector, the Bank’s interventions have contributed to building the resilience of ecosystems to climate change. Management will continue to build the capacity of project implementation units through fiduciary clinics to monitor the implementation of Environmental and Social Management Plans (ESMPs).

KNOWLEDGE MANAGEMENT, COORDINATION, DIALOGUE AND RESULTS-BASED MANAGEMENT

The Evaluation noted that the Bank conducted 11 analytical works during the 2012-2021 evaluation period, representing an overall completion rate of 100%, including studies carried out but which were not originally planned. These analytical works covered the agriculture, private sector development, economics, gender, and climate change sectors. Some of the studies informed the design of projects, particularly in agriculture, and others have helped to guide policy dialogue on private sector development and gender. Management will strengthen knowledge building to support the design and implementation of national strategies and policy dialogue.

The Evaluation also noted that dialogue remains limited, due to the fact that the Bank’s teams do not devote enough time to policy dialogue, on the one hand, and the absence of some sector experts at the Benin Country Office, on the other hand. This was notably the case for the transport sector until November 2021, and for the energy sector. To strengthen the monitoring of policy dialogue activities, the sector experts of the Country Office will ensure, each in their own field, dialogue on sector policies and strategies. The Country Economist will strengthen monitoring of the national economic development policy dialogue and public financial management. In addition, the Country Programme Officer will strengthen dialogue on portfolio performance improvement through the close monitoring of projects and quarterly and annual portfolio reviews. Lastly, the Country Manager will strengthen high-level policy dialogue with members of the government.
The Evaluation found that harmonisation of the Bank’s interventions with other technical and financial partners (TFPs) was satisfactory. Indeed, mechanisms for dialogue with the government and coordination among TFPs are satisfactory for the governance, energy, and water and sanitation sectors. However, it notes that these mechanisms are not very operational for other sectors, such as transport, where there is no formal TFP coordination framework. The Evaluation also noted the significant level of resources mobilised in terms of co-financing with TFPs, particularly over the CSP 2017-2021 period, i.e. a leverage effect of 1.4. The ongoing capacity building of the Country Office will enable the Bank to play a leading role in aid coordination, thereby strengthening collaboration and harmonisation of its interventions with other TFPs.

For results-based management, the Evaluation found that CSPs should strengthen the links between the intervention pillars and the expected contribution to the country’s development objectives. The analysis of the contribution to development objectives is limited to a quantitative assessment focusing on the physical achievements of the operations, without an in-depth analysis of the less tangible dimensions of the Bank’s assistance (in particular the capacity building of actors, management system and maintenance). Management agrees with these conclusions and will work to strengthen the results-based management dimension in the design of the new CSP 2022-2026, with the introduction of a Strategic Alignment Matrix and a Performance Matrix.

CONCLUSION
Management takes note of the observations and welcomes the recommendations of the evaluation of the Bank’s strategies and programmes in Benin for the 2012-2021 period. Management responses to each of the five key recommendations are provided in the Action Plan table below.
## Management Actions

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<th>IDEV Recommendation</th>
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<td><strong>Recommendation 1:</strong> Improve sustainability of the results of the Bank's interventions.</td>
<td><strong>APPROVED</strong></td>
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- The Bank should support the establishment of systems for the management and maintenance of infrastructure, equipment and services developed by the projects.

| | 1. The West Africa Regional Development and Business Delivery Office (RDGW), in conjunction with the PICU department, will make provision for weighing stations and mobile axle scales in new road projects that will improve the preservation of road networks through the fight against the overloading of heavy vehicles and will also generate resources for road maintenance through weighing taxes and fines to be imposed on overloaded vehicles in accordance with WAEMU Regulation 14. [RDGW/PICU, Q4 2025] |
| | 2. The Bank's Country Office in Benin (COBJ) will strengthen dialogue with the Government on axle load and infrastructure maintenance. [COBJ, Q1 2024] |
| | 3. COBJ, in collaboration with the sectoral departments, will ensure that the capacities of the rural infrastructure maintenance management bodies are built. [COBJ, Q4 2024] |
| | 4. COBJ, in collaboration with the Safeguards and Compliance Department (SNSC), will continue to require quarterly and annual E&S audit reports of ongoing projects, and will intensify capacity building of project implementation units in the areas of monitoring of implementation of Environmental and Social Management Plans (ESMP) and Resettlement Action Plans (RAP). [RDGW, Q4 2024] |

| **Recommendation 2:** Strengthen management for development results. | **APPROVED** |

The following actions could be considered:

- Improve the link between the development goals and the results framework in the CSP to make it a steering and policy dialogue instrument;
- Improve the monitoring and evaluation of outputs, outcomes and impacts to support project coordination through sustained dialogue with other stakeholders;
- Establish a realistic implementation schedule that serves as a basis for steering the interventions; prepare a baseline and a monitoring and evaluation system.

| | 1. RDGW will ensure that the links between the development objectives and the results framework indicators of the new CSP 2022-2026 are strengthened [RDGW, Q4 2022] |
| | 2. COBJ will organise quarterly and annual reviews with the Government to strengthen the monitoring of project results [COBJ, Q2 2023] |
| | 3. COBJ, in collaboration with the sectoral departments, will ensure that realistic implementation plans are put in place and that a monitoring and evaluation system is set up for operations in Benin. [COBJ, Sectoral Departments, Q4 2023] |

| **Recommendation 3:** Improve project quality at entry. Capacity building (including procurement and reporting) and institution building needs could be assessed before investments are undertaken | **APPROVED** |

- The Bank should support the establishment of systems for the management and maintenance of infrastructure, equipment and services developed by the projects.
This could include:

- Ensuring the availability and quality of feasibility studies to inform project preparation;
- Securing land tenure, in particular by involving the beneficiaries and local institutions in charge of land issues in the identification of project implementation sites;
- Ensuring mobilisation of the national counterpart by the Beninese State.

Recommendation 4: Build the Bank’s capacity to conduct ongoing policy dialogue. The Bank should strive to develop policy dialogue and support it with analytical studies in areas relevant to cooperation with Benin, including capitalising on its position as lead donor in certain sectors and the existence of a country office.

The following points deserve the Bank’s attention:

- Developing a coherent and complementary portfolio of analytical studies to support policy dialogue;
- Focusing on areas where the Bank has real value added and strong expertise and building on the achievements of previous programmes;
- Providing and dedicating targeted resources to policy dialogue

Recommendation 5: Strengthen support for private sector development and public-private partnerships.

In particular, the Bank could continue to analyse the conditions for private sector development and assist the government in removing obstacles to private sector development

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1. COBJ, in collaboration with the sector departments, will ensure the availability of feasibility studies at government level before starting the preparation of new projects [COBJ/Sector Departments, Q1 2023]

2. COBJ, in collaboration with the sectoral departments, will ensure that the project implementation sites are cleared and secured. Similarly, COBJ will conduct dialogue with the government for compensation of the population, within the required timeframe, so as not to delay the start of activities [COBJ/Sector Departments, Q1 2023]

3. COBJ will work with the sectoral departments to ensure that the project implementation units better plan the national counterpart resources to be taken into account in the state budget. [COBJ, Q4 2024]

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1. COBJ, in collaboration with the Private Sector Department, will develop a Private Sector Profile for Benin that will better guide programmes, projects, and related funding [COBJ/PIVP, Q2 2024]

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