What did IDEV Evaluate?

This evaluation reviewed the Bank’s development assistance to Tanzania during the period 2004-2013. It covered three Country Strategy Papers (CSPs): 2002-2004/5, which prioritized rural development; 2006-2010 focused on growth and poverty reduction and improvement of the quality of life and social well-being; and 2011-2015, the most recent, emphasized two pillars of support: i) infrastructure development; and ii) building an enabling institutional and business environment. The evaluation informs the new CSP 2016-2020 and provides inputs to the Comprehensive Evaluation of the Bank’s Development Results (CEDR). During the period covered by this evaluation (2004-2013), the Bank approved a total of 42 operations for Tanzania, worth around UA 1.52 billion. In terms of the sector composition, the share of the transport sector (mainly roads) was the largest at 34% of the portfolio, followed by assistance to governance (multi-sectoral) which represents 26%. The energy sector represents around 7%. The share of agriculture and the social sector has declined over time. Most of the private sector operations only emerged in the last CSP, and account for less 1% of total assistance.

What did IDEV Find?

The Bank’s contribution to development results in Tanzania

The Bank interventions and the portfolio of operations reviewed were broadly coherent with Tanzania’s national and sectoral strategic framework and needs. The CSPs and operations were also well-aligned with the Bank’s strategies. However, the selectivity of the country strategies was found to be an area of possible improvement.
Results were achieved in the transport and governance sectors. Concrete outcomes including improved road conditions, more affordable transportation, and increased connection among the country’s economic centers were obtained in the transport sector. As far as governance is concerned, the General Budget Support facilitated the maintenance and to some extent the expansion of development expenditure by the Government in key areas. The Bank’s role in policy dialogue has grown, especially in areas where the Bank has a distinct added value (such as the energy sector).

The sustainability of results after the completion of the Bank’s support is not always ensured. Key challenges include the road maintenance financing gap, the low technical capacity available at local level to maintain rural infrastructures (especially irrigation schemes), and the return on investment on rural markets (some of which are underused).

The Bank has fully adopted a Management for Results approach over time, which consists of appropriate logframes and the use of lessons for strategic orientation and design. The projects generally include result-based logframes though frequent issues exist with the quality of indicators and an absence of baseline data.

On partnerships and leveraging aspects, the Bank actively participated in the design and functioning of the development partners’ dialogue structures. Particularly, on leveraging, the Bank managed to mobilize a relatively modest amount of resources from other partners and marginally from the private sector.

The quality of CSP improved over time. However, the integration of cross-cutting issues, like gender or climate change and so forth, still struggle to find a proper position in the country strategy, and the private sector dimension generally lacked a proper articulation.
What did IDEV Recommend for the New Strategy?

Concentrate on fewer key areas of proven expertise but with more emphasis on inclusiveness and integration. The Bank’s focus on infrastructure and the governance sector, although relevant, may reduce its direct impact on poverty, especially non-income poverty and rural poverty. It is therefore important that the future strategy embeds solid pro-poor strategic orientations, possibly through integrating interventions around a few key outcomes related to job creation and an increase of revenue in targeted areas.

Improve the Bank’s profile as a ‘knowledge-partner’ in the country assistance framework, its influence on the reform agenda and its catalytic potential. In recent years the Bank has increased its responsibility and visibility in some specific areas of policy dialogue (for example, energy sector reform). The same process should be followed in other key areas of the Bank’s interest – such as transport infrastructure and governance - and it should be more ambitious in the reform targets agreed with the Government.

Consider adopting a more innovative approach to the portfolio selection, management and delivery mechanisms. The Bank should explore the opportunities to enhance its private sector operations, both reinforcing its current engagement in SME finance, but possibly venturing in other sectors with potential complementarity through mainstream lending to reduce inequalities. Internal co-ordination mechanisms and procedures, both at CSP and operational level, should be strengthened to allow for reaping the benefits of synergies across different projects.

Further strengthen supervision with a close involvement of the Bank’s institutional counterparts. Supervision requirements need to be taken into account better at the design stage (notably frequency, resources needed, ‘risk’ profile of the intervention), and joint supervision should be used where applicable. Supervision recommendations should be followed, with flexibility to address potentially problematic situations. The sustainability section of progress reports in particular should be accurately compiled and reliable. In support of more effective supervision, project appraisals should include detailed follow-up and risk mitigation plans.
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What did Management Respond?

Management welcomes IDEV's report on the Bank’s development assistance to Tanzania during the period 2004–2013, covering three Country Strategy Papers (CSPs): 2002–2004/5, 2006–2010, and 2011–2015. Overall, Management agrees with the findings and recommendations of the evaluation, particularly the need for innovation in CSPs, to explore less traditional interventions both in terms of instruments and focus, as well as enhanced selectivity and internal coordination of the Bank’s interventions in Tanzania. Several issues raised by the evaluation have either been addressed or are in the process of being addressed. The evaluation provides a unique opportunity for the Bank to improve its operations in Tanzania, both in terms of formulation and implementation. The recommendations have informed the Bank’s new CSP for Tanzania for 2016–2020.

Enhance quality-at-entry at both strategic and operational levels with a view to strengthening the analytical basis and integration effect of the CSP, and avoid readiness issues and unrealistic designs that continue affecting the performance of the Bank’s interventions. The Bank’s country experience can be capitalized on to increase firsthand context analysis.

What was the Methodological Approach?

The evaluation assessed two overarching questions that were further broken down into 21 specific evaluation questions connected to the main standard evaluation criteria. This evaluation used a broad range of data collection including document reviews, semi-structured interviews, focus group discussions, and field visits to projects. In order to provide a summary assessment for the various evaluation questions and underlying evaluation criteria, a six-level scale rating system — ranging from ‘highly satisfactory’ to ‘highly unsatisfactory’ — was used. The evaluation assessment had to overcome a key methodological limitation. The evaluation could not quantify the attribution of the country development results to the Bank’s support.

About IDEV

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