Presentation outline

- Objectives, Scope and Methodology
- Main evaluation findings
- Lessons Learned
Objective & Questions

The objective of the cluster evaluation is to:

- Assess the relevance, effectiveness, *efficiency* and sustainability of Bank’ PBOs
- Draw relevant lessons for future design and management of PBOs by de Bank
- Inform the broad Bank’s PBOs evaluation

The three overarching Evaluation Questions are:

- To what extent is the Bank appropriately programming, designing and managing its PBOs?
- What is the evidence regarding PBO performance, particularly for the Bank in the priority areas of Energy and the Private Sector Environment (PSE)?
- Looking forward, how can the Bank ensure it optimizes its use of PBOs, including helping it to achieve the High 5s?
Scope

Private Sector Environment (PSE) Cluster (9 PBOs)
- Egypt
- Ghana
- Mali
- Morocco
- Seychelles

Energy Cluster (8 PBOs)
- Angola
- Burkina Faso
- Comoros
- Nigeria
- Tanzania
Sources of Evidence

A. Document review;

B. Analysis of country-level documentation and data;

C. Semi-structured interviews;

D. Field visits;

E. In-country Focus Groups to share findings, identify enabling/hindering factors and lessons;
Methodology & Limitations

Methodology

- The evaluation is Theory Based: the reconstructed Theory of Change (TOC) based on Bank documentation, consultation and reference to international evaluation guidance for budget support.

- C-M-O Assessment: Context (country and sectoral dimensions); Mechanism (design and the implementation arrangements); Outcome (achievement of “Landmark reforms”).

- Realist Synthesis

Limitations

- Availability of supporting documentation: recent completion of operations, PCRs not completed etc.

- Short time to conduct field visits: Contribution Analysis
Key Evaluation Findings

<table>
<thead>
<tr>
<th>CONTEXT</th>
<th>PSE</th>
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<tbody>
<tr>
<td>Energy</td>
<td>Overall, PBO implementation took place in favourable environments although it was difficult in some countries because of: PBO implementation took place in highly challenging environments • Political instability (e.g. Mali, Egypt); • Countries had initiated ambitious reforms (e.g. Ghana or Mali);</td>
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The country contexts have generally not been favorable to PBOs, with two ranked as ‘very difficult’ (Angola and Nigeria), two as ‘difficult’ (Comoros and Tanzania), and only one as ‘favorable’ (Burkina Faso).
# Key Evaluation Findings

## QUALITY OF PBO MECHANISM

<table>
<thead>
<tr>
<th>Energy (Overall Satisfactory - 4/5)</th>
<th>PSE (Overall satisfactory – 3/5)</th>
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<tr>
<td>- Satisfactory picture on the relevance and programming of the Energy-related PBOs</td>
<td>- Large satisfactory picture on the relevance and programming of the PSE-related PBOs;</td>
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<td>- Satisfactory or highly satisfactory Timeliness of disbursements and transaction costs</td>
<td>- Satisfactory or highly satisfactory Timeliness of disbursements and transaction costs</td>
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<td>- Good quality of donor coordination</td>
<td>- Policy dialogue and coordination with other Development Partners (DPs) were unsatisfactory Overall;</td>
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<td>- Weaknesses were detected in the quality of PBO design:</td>
<td>- PBO design and delivery suffered from several weaknesses, notably:</td>
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<td>- Lack of coherence in the definition of results frameworks;</td>
<td>- Unfocussed result framework;</td>
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<td>- the absence of a strong medium-term perspective in the design of the PBO and supporting arrangements for PD and TA</td>
<td>- Overambitious objectives.</td>
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<td>- A lack of depth in planning how Policy Dialogue should be carried out and adequately supported</td>
<td>- Insufficient depth of the context analysis in Appraisal document</td>
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<td>- ambiguity over the role of PBO funds in the achievement of the PBO objectives</td>
<td>- Absence of a strong medium-term perspective</td>
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Key Evaluation Findings

**CONTRIBUTION OF THE PBO TO THE LANDMARK POLICY**

<table>
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<tr>
<th>Energy</th>
<th>PSE</th>
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<tbody>
<tr>
<td>• Overall Performance of PBOs on Intermediate Outcomes is satisfactory. The Energy sector generally performs better than the PFM sector;</td>
<td>• Overall, performance of PSE related PBOs on Intermediate Outcomes was rated Satisfactory, In some cases the PSE and Energy sectors generally performs better than the PFM sector;</td>
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<tr>
<td>• Influence of PBOs on Intermediate Outcomes is modest.</td>
<td>• Overall influence of PBOs on these outcomes is considered modest</td>
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<tr>
<td>• contributions to Final Outcomes is rated satisfactory only in relation to Energy.</td>
<td>• The PBOs have contributed only a limited extent to strengthening positive evolution at outcomes level.</td>
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<tr>
<td>• Overall, sustainability of intermediate outcomes and their contribution to final outcomes is rated unsatisfactory.</td>
<td>• Overall, the sustainability of PBOs is rated unsatisfactory.</td>
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Key Lessons Learned (Energy) 1/2

**Lesson 1 (Programming): The need for a medium-term engagement:** Evidences from these case studies suggest that structural reform objectives targeted by PBOs can in most contexts only be attained through continuous and gradual change – consolidating improvements on a year-to-year basis, rather than trying to force rapid change.

**Lesson 2 (Programming): The need to maximize the effects of PBO’s contribution to fiscal space:** More careful attention needs to be given to how that fiscal space should be used so as to ensure that it helps address structural constraints as well as short-term needs. PBOs should aim to create a bridge between short-term macro relief and medium-to-long term structural reform.
Key Lessons Learned (Energy) 2/2

Lesson 3 (Performance): Strong and sustainable results are achieved by building upon a well-established programme of reform, to which the Bank has contributed over a number of years through investment lending, TA and policy dialogue.

Lesson 4 (Performance): For successful medium-term operations, the corresponding staffing and TA infrastructure need also to be in place, based on strong Country Offices able to conduct a continuous, strategic and analytical dialogue.
Key Lessons Learned (PSE) 1/2

**Lesson 1 (PBO’s focus):** Creating a conducive private sector environment starts with ensuring a stable macroeconomic context, strengthening public sector governance (including procurement rules) and improving access to key (e.g. energy) infrastructure.

**Lesson 2 (sustained multi-level support):** The medium to long term nature of deep structural. economic transformation has not been sufficiently taken into account in PBO design and programming.
Key Lessons Learned (PSE) 2/2

Lesson 3 (capacity): The case studies show tangible evidence that the AfDB has managed to seize opportunities created by the PBO instrument in key areas of reform.

Lesson 4 collaborative efforts: All cases highlight the importance of collaborative efforts to help governments to implement complex reforms in key structuring areas.
Thank you