



ANNUAL EVALUATION REPORT 2020

OPERATIONS EVALUATION
DEPARTMENT





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LIST OF ACRONYMS AND ABBREVIATIONS

AAOIFI	Accounting and Auditing Organization for Islamic Financial Institutions
AER	Annual Evaluation Report
AfDB	African Development Bank
APIF	Awqaf Properties Investment Fund
AsDB	Asian Development Bank
AWP	Annual Work Program
BED	Board of Executive Directors
CIBAFI	General Council for Islamic Banks and Financial Institutions
CPPO	Chief Product and Partnership Officer
DAC	Development Assistance Committee
EA	Executing Agency
EBRD	European Bank for Reconstruction and Development
ECG	Evaluation Cooperation Group
ECCAS	Economic Community of Central African States
ECOWAS	Economic Community of West African States
EDEPC	East Delta Electricity Production Company
EDN	Executive Dissemination Notes
ELO	Enabling, Learning and Outreach
ENEP	<i>Ecole Nationale des Enseignants du Primaire</i> / National School for Primary Teachers
EPC	Engineering, Procurement, and Construction
ERIL	Economic Research and Institutional Learning
EvalMENA	The Middle East and North Africa Evaluation Network
G	Gregorian Year
GDP	Gross Domestic Product
GPS	Good Practice Standards
GWh	Gigawatt hour
H	Hijri Year
ICD	Islamic Corporation for the Development of the Private Sector
ICIEC	Islamic Corporation for the Insurance of Investment and Export Credit
IFI	International Financial Institution
IIFM	International Islamic Financial Market
IsDB	Islamic Development Bank
IRTI	Islamic Research and Training Institute
ISFD	Islamic Solidarity Fund for Development
ITFC	International Islamic Trade Finance Corporation

Km	Kilometer
kV	Kilovolt
LOF	Line of Financing
MC	Member Country
M&E	Monitoring and Evaluation
MCPS	Member Country Partnership Strategy
MCPS IR	Member Country Partnership Strategy Implementation Review
MDB	Multilateral Development Bank
MFIs	Microfinance Institutions
MSC	Microfinance Support Center
MW	Megawatt
NEPCO	National Electric Power Company
NGO	Non-Governmental Organization
OCP	<i>Office Chérifien des Phosphates</i>
OCR	Ordinary Capital Resources of IsDB
ODEC	Operations Development Effectiveness Committee
OED	Operations Evaluation Department
OECD-DAC	Organization of Economic Cooperation & Development – Development Assistance Committee
P5P	President’s Five-Year Program
PCR	Project Completion Report
PEP	Polio Eradication Program
PMU	Project Management Unit
PPER	Project Performance Evaluation Report
PPP	Public-Private Partnership
PSD	Private Sector Development
RBLFs	Results-Based Logical Frameworks
RIEEP	The Rural Income and Employment Enhancement Project
SACCO	Saving and Credit Cooperative
SDGs	Sustainable Development Goals
SME	Small and Medium Enterprise
SPRP	Strategic Preparedness and Response Program
STEER	Systematic Tracking of Execution of Evaluation Recommendations
TA	Technical Assistance
UNDSS	United Nations Department for Safety and Security
UNICEF	United Nations Children’s Fund
UNOPS	United Nations Office for Project Services
USD	US Dollar
VOLIP	Vocational Literacy Program for Poverty Reduction Project
WHO	World Health Organization
WPV1	Wild Poliovirus Type-1



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The report was internally peer-reviewed by Intizar Hussain and Zaher Rebai with Reem Ahmed, Hassan Mahmoud Alrabayah, and Sidi Aziz Hilali providing the necessary administrative support.

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Furthermore, the team would also like to acknowledge, with much appreciation, the crucial role played by the staff of all departments of the IsDB who cooperated and provided useful information and necessary insights in completing the evaluations featured in this report.



FOREWORD BY ODEC CHAIR

I am pleased to present the 2020 Annual Evaluation Report.

As Chairman of the Operations and Development Effectiveness Committee (ODEC) of the Board of Executive Directors at the Islamic Development Bank, I am delighted to affirm our commitment to support the Operations Evaluation Department (OED) programmatic governance and the oversight that ensures effective and efficient management of this independent function. It is a privilege for me to serve a multilateral organization working diligently with its development partners to support its Member Countries in their efforts to tackle the challenges posed by the COVID-19 pandemic.

Despite no country's being on track to achieve the 17 SDGs and an ongoing global pandemic, the power of technology to address the plethora of challenges resulting from this unprecedented crisis has emerged with startling clarity.

In 2020, the OED continued to gain ground in accomplishing its objectives in order to deliver impact at scale; notwithstanding the unparalleled adversities resulting from the constraints encountered in conducting evaluation missions, engaging with stakeholders, and relying on regular monitoring and evaluation (M&E) tools. To this end, the OED launched Systematic Tracking of the Execution of Evaluation Recommendations (STEER), a new recommendations follow-up process powered by an IT platform. Its main objective is to provide an efficient mechanism for systematically tracking and reporting on the implementation of evaluation recommendations, increase buy-in to evaluation findings, and report to the Board's ODEC.



Therefore, the importance of STEER in recommending appropriate measures for the design of future operations, Member Country Partnership Strategies (MCPSSs), and assessing the development effectiveness are paramount in order to optimize resources and maximize impact. This tool provides a finer-grained monitoring of the progress on implementation of the OED's recommendations.

Our achievements during 2020 didn't preclude the need to continuously engage our efforts, energy, and resources so that the envisioned impact to achieve accountability and learning pave a strong foundation essential for eradicating poverty, building peaceful and prosperous societies, and ensuring that **"no one is left behind"** on the path towards sustainable development for our stakeholders.

Looking forward, the IsDB's Strategic Preparedness Response Program (SPRP) included a USD 2.3 billion package of support in response to the economic and health attrition caused by COVID-19. This assistance also covers the economic sector, to address the repercussions of the pandemic that extend beyond health-related ones to threaten MSMEs and other income-generating activities in Member Countries and globally. This initiative and its outcomes will extend beyond 2021. The promptness of IsDB's response to the COVID-19 pandemic resulted from the valuable experience it gained while helping its African Member Countries run polio and malaria vaccination programmes and providing assistance during West Africa's Ebola epidemic, which together affected the social and economic fabric of several parts of the African continent.

On behalf of the Committee, I would like to express gratitude to **H. E. Dr. Bandar M. H. Hajjar**, President of the IsDB, for his unwavering support and productive cooperation. Furthermore, I wish to extend my appreciation to **Mr. Anasse Aissami**, Director of the OED, and his staff for their continued dedication to continually reviewing the Bank's interventions with the purpose of assessing their effectiveness, to learn from the past experiences, and to improve the development of future projects.

The IsDB will continue to deliver on both the premise and the promise of the 2030 Agenda and its global goals, seeking to foster innovative and sustainable solutions to the world's greatest development challenges, while also striving to meet the UN's Sustainable Development Goals.

Sincerely,



Ammar Hamad Khalaf Ibrahim, Chairman
Operations and Development Effectiveness Committee



MESSAGE OF THE DIRECTOR, OED

Unlike past years, 2020 has been unprecedented in many respects, due to the challenges posed by the global pandemic. In acknowledgment of the current limitations, and to mitigate the adverse impact of the new situation on its business, the Operations Evaluation Department (OED) revisited its annual work program focusing on providing support to Country Programs which has within its aim to design IsDB's rapid and efficient response to the COVID-19 pandemic, desk-based evaluations, validations and completing ongoing evaluations with alternate tools and approaches. I am pleased to present the 2020 Annual Evaluation Report to the Board of Executive Directors through the Operations Development Effectiveness Committee (ODEC).

I would like to thank H.E. Dr. Bandar Hajjar, President of the IsDB Group, for his continuous and unyielding support to the smooth implementation of the Annual Work Program. I would also like to express my gratitude to H.E. Dr. Mansur Muhtar, Vice President of the Country Programs Complex and Acting Chief Product and Partnership Officer (CPPO), for the positive feedback on the follow-up actions resulting in promotion of strong accountability, transparency and learning in the Bank at large.



The pandemic struck at a critical time for the OED, as we were ambitiously shifting our focus towards more in-depth macro-level evaluations, while still maintaining a decent number of project evaluations, to further improve our understanding of the overreaching interventions. Despite restrictions on international travel and other challenges, the focus on delivery and results has remained firm, embarking on the same number of evaluations planned for the year and utilizing alternative work arrangements and evaluation approaches to achieve the set goals. Though the evaluation program has been rearranged to mitigate the above-mentioned challenges, the target of 10 project evaluations, three special evaluations, and four macro-level evaluations remained unchanged. The OED has also been focused on revising and updating evaluation templates and tools to incorporate latest trends and approaches.

Throughout the year, the OED has been actively engaged in sharing innovative ideas and critical lessons learned learnt by the IsDB and other MDBs from evaluations of development interventions that would help to cope with the challenges and embrace the opportunities emerging from the new context. The OED has led an in-depth study on the IsDB Group synergy, from which important recommendations were drawn and shared to help enhance synergy within the IsDB Group. Moreover, the OED has been leading the Real Time Evaluation of the Strategic Preparedness and Response Program (SPRP) to the COVID-19 pandemic, which would help improve the Bank's preparedness for future emergencies going forward. Finally, the OED conducted a perception survey on the Business Continuity Measures deployed by the Bank that contributed to transformations of the Bank's working models.

The ongoing pandemic has forced us to think creatively about the evaluation function and the methods and tools used to fulfill it. Going forward, I am confident that the OED will be able to continue delivering the quality evaluations that are expected from us. Equally important, the special evaluations that the OED has undertaken will provide timely and reliable insights into future programming, while factoring in lessons learned so as to inform future project design and policy formulation for the benefit of our stakeholders.

Anasse Aissami



Director
Operations Evaluation Department



EXECUTIVE SUMMARY





The 2020 Annual Evaluation Report (AER) of the Operations Evaluation Department (OED) of the Islamic Development Bank (IsDB) presents a synthesis of the evaluations of the IsDB interventions as well as Enabling, Learning and Outreach activities undertaken by the OED during 2020. The OED is committed to aligning its evaluation functions with the Bank's 10-year strategic priorities and the President's 5-year Program (P5P) and promoting evaluation culture in the Bank and its Member Countries (MCs). The AER contributes to creating a stronger performance measurement system and plays a pivotal role in institutionalizing result-based management and the IsDB Group corporate scorecard. The Department undertook a rigorous assessment of the development effectiveness of the IsDB interventions and emphasized quality, relevance, timeliness and usefulness of its products, knowledge dissemination, and productive partnerships with peer institutions.

Despite the difficulties of 2020, the OED completed 10 project-level and two special evaluations, and three macro-level evaluations. Moreover, it validated 27 project completion reports and initiated validations of two MCPS Implementation Reviews, one program evaluation, two thematic evaluations, and one corporate evaluation. From the ten projects evaluated this year, three projects (30%) were rated as "Highly Successful", six projects (60%) were rated as "Successful" and one project was rated as "Unsuccessful". The most prevalent factor that affected the overall performance of the evaluated projects was project efficiency. The general finding, from the sample of work, is that the Bank has been contributing reasonably to the member countries with some room for improvement in near future. With the lessons learned from this year's evaluation findings, several recommendations are emphasized in the reports; such as (i) Ensure Continuous Supervision and Promote M&E; (ii) Improve IsDB's Responsiveness and Communication with Stakeholders; (iii) Focus on Sector Strategy; (iv) Improve the Capacity and Enabling Environment in MCs; and (v) Ensure Implementation Readiness. To ensure benefiting from the lessons learned and to ensure the implementation of the recommendations, the OED will focus on 3 priority areas: (i) Innovating: The OED will re-think its processes based on the constraints of project and evaluation designs and the opportunities offered by new technology trends; (ii) Involving: The OED will devise new engagement methods to ensure a much closer interaction with its stakeholders; (iii) Influencing: The OED will focus more on the learning objective and will ensure that its knowledge base is useful, and its products are responsive to the needs of its stakeholders to be more influential at the strategic level.





THE EVALUATION YEAR AT A GLANCE

Review of evaluation activities undertaken in 2020

The OED completed 10 project-level evaluations in the education, energy, health, transport, and agriculture and rural development sectors in Burkina Faso, Egypt, Indonesia, Jordan, Mauritania, Morocco, Pakistan, Turkey, and Uganda. Also, it conducted two Special Evaluations of the “Cost of Doing Business at the Bank” and the “Assessment of the Performance of the International Centre for Bio-saline Agriculture (ICBA)”. Moreover, it validated 27 project completion reports. At the macro-level, the OED initiated validation of MCPS Implementation Review for Kuwait and Bangladesh and launched the Corporate Evaluation of Operational Efficiency. In 2020, the OED also initiated the program evaluation of the IsDB’s Food Security Program (under Jeddah Declaration) and two thematic evaluations, namely, evaluation of projects financed through Line of Finance and synthesis of lessons learned from the Islamic Finance Evaluations. In addition, the Synthesis of Evaluations of Programs Contributing to Regional

Integration in the Member Countries, Public-Private-Partnership (PPP) projects and Consolidated Report on Islamic Finance Technical Assistance Grants were finalized in 2020.

Knowledge Generation and Dissemination

A total of 22 knowledge products have been published and disseminated in 2020. The web-based OED knowledge portal and another web-based system for monitoring the OED recommendations, called Systematic Tracking of Execution of Evaluation Recommendations (STEER), have been finalized and made ready for launch. A webinar on knowledge sharing and dissemination of the findings from the synthesis evaluations of IsDB interventions in the Water & Sanitation sector was held virtually, involving discussants from four member countries. Due to travel restrictions, two virtual workshops were organized on Monitoring and Evaluation Techniques and tools in partnership with the Association of Engineers of the Hassania School of Public Works for the association members. The OED initiated the development and/or review of eight templates and guidelines, including the preparation of new MCPS-Completion Report Validation Note guidelines, and the revision of the PCR-Validation Note guidelines and PPER guidelines and template.



PERFORMANCE ANALYSIS AND DEVELOPMENT RESULTS

Performance Analysis:

Projects were evaluated in line with the Good Practice Standards using the Organization of Economic Cooperation and Development-Development Assistance Committee (OECD-DAC) standard evaluation criteria of Relevance, Efficiency, Effectiveness, and Sustainability.

Effectiveness:

Overall, 90% of the evaluated projects were either 'Effective' or 'Highly Effective'. Only one evaluated project (education sector project) was found to be 'Ineffective'. The majority of the evaluated projects achieved their intended outputs and eventually contributed to achieving their intended developmental outcomes, resulting in impactful changes in the living conditions of the project beneficiaries. Yet, the effectiveness of the evaluated projects was constrained by changes in the design and the scope of the project, delays at start-up and during implementation, and unavailability or late release of government counterpart funds. Moreover, the absence of actual baseline information and lack of statistics on the key national indicators at the country level makes it difficult to assess the net effects of projects.

Efficiency:

The overall assessment of efficiency showed that 50% of the evaluated projects were 'Efficient' and 10% were 'Highly Efficient'. The remaining 40% of the evaluated projects were found to be either 'Less Efficient' (30%) or 'Inefficient' (10%). None of the evaluated projects was completed within the timeframe defined at appraisal. The average implementation delay for all the evaluated projects was found to be 19 months. Three of the evaluated projects (30%) were completed with an implementation delay of less than 12 months,

while six projects (60%) were completed with an implementation delay of more than 12 months. One project was closed early. The average cost variation for all ten post-evaluated projects was 22% between the actual project cost and appraisal estimates. Five of the evaluated projects (50%) had a cost-underrun, while three evaluated projects (30%) had a cost overrun. The remaining two projects (20%) were implemented within the allocated budget. The main reasons for cost variation and delays in implementation included delays in counterpart funding, changes in design and scope of the project, poor quality of feasibility studies, lack of familiarity of EAs with the IsDB rules and procedures, weak capacity of the contractors, political and social situation in the country, delays in disbursement and slow responsiveness of the Bank.

Sustainability:

Overall, 80% of the evaluated projects were either 'Likely' or 'Most Likely' sustainable. The remaining projects (20%) were assessed as 'Less Likely' or 'Unlikely' Sustainable. Energy sector projects were assessed as more likely sustainable, while projects in health, microfinance and transport sectors were assessed as either likely or less likely sustainable. Projects' sustainability was hampered mainly by the absence of exit strategy, insufficient national budget allocation for maintenance, inadequate ownership and commitment from the end-beneficiaries, especially for microfinance and health sector projects.

Performance assessment:

From the ten projects evaluated this year, three projects (30%) were rated as "Highly Successful", six projects (60%) were rated as "Successful" and one project was rated as "Unsuccessful". Energy sector projects were rated as "Highly Successful", while an education sector project was rated as "Unsuccessful". The most prevalent factor that affected the overall performance of the evaluated projects was project efficiency.



FEATURED TOPIC: EVALUATION IN THE CONTEXT OF THE PANDEMIC

In response to the global crisis and to address the economic and financial havoc wrought by the COVID-19 pandemic, the Evaluation function at IsDB contributed substantially during the crisis response through leveraging knowledge products, efficient relationships and processes. The OED has drawn evaluation lessons from the Bank's experience in responding to crises and published a note providing a set of 8 key lessons drawn from the Bank's response to the Ebola outbreak

in 2014. Moreover, the OED initiated a Real-Time Evaluation of the Bank's response program to support Member Countries experiencing COVID-19 crisis. The unprecedented circumstances related to the COVID-19 pandemic and the resulting travel restrictions forced the evaluation functions to get out of their methodological comfort zones to re-think their empirical approaches and adjust their evaluation designs. To this end, the OED will continue to streamline its data collection processes by optimizing existing data sources, adopting remote practices, working closely with partners and tapping into local consultants. Nevertheless, the OED remains committed to maintaining the quality and integrity of the data and to delivering credible, relevant and well-substantiated evaluations.



A SYNTHESIS OF LESSONS LEARNED FROM PROJECT AND MACRO-LEVEL EVALUATIONS

The lessons learned from the evaluations in 2020 emphasized the importance of quality feasibility and risk assessment studies in improving project implementation efficiency and helping avoid project delays or re-scoping. Clarity on financing agreements and adherence to the

implementation of such agreements can lead to an efficient implementation of the projects. Having a competent and experienced Executing Agency, selecting technically qualified and financially capable contractors, and establishing proper communication channels among project stakeholders are pivotal to ensuring smooth and successful project implementation and timely delivery of outputs. The evaluations also highlighted that having a well-defined programmatic approach with adequately defined priority areas with specific indicators and clear targets improves development effectiveness. Finally, government commitment through mobilizing national counterpart funding and fulfilling its obligations is critical for the successful implementation of projects.





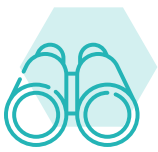
RECOMMENDATIONS

This Annual Evaluation Report offers recommendations for actions by the IsDB Management and the business units concerned. These recommendations are based on the findings of the evaluations conducted during the year and the issues drawn therefrom and intend to enable evidence-based decision-making. Below is the summary of the recommendations. The detailed list of recommendations is provided in Chapter 5.

- **Ensure Continuous Supervision and Promote M&E:** Several evaluations of 2020 highlighted the importance of continuous supervision of the projects for their smooth implementation. Moreover, there is a need for an overarching monitoring framework within the Bank, which should also be replicated in the EAs/PMUs for effective data collection and regular monitoring.

- **Improve IsDB's Responsiveness and Communication with Stakeholders:** There is a need for accelerated responsiveness and enhanced communication with the stakeholders. The IsDB should have an effective communication strategy for projects in dealing with several stakeholders that will help to build and maintain effective communication channels with the EAs/PMUs.
- **Focus on Sector Strategy:** The IsDB needs to have sector strategies for MCs to respond to sector needs, to complement the Bank's interventions and to ensure that the development results of the Bank-financed projects are achieved and sustained. Moreover, the impact of unforeseen events on the sectors should be considered and necessary actions should be taken to ensure sustainability of benefits. (e.g. COVID-19 pandemic).
- **Improve the Capacity and Enabling Environment in MCs:** The lack of capacity of the Executing Agencies and weak enabling environment in MCs, particularly for Islamic finance, hampered smooth implementation of several projects. There is a need for continuous engagement with MCs to help them build their capacity as well as create an enabling environment, particularly for microfinance operations. A group-wide country approach for the Islamic finance sector is crucial. The institutional framework in MCs for Public-Private Partnership (PPP) projects is also critical.
- **Ensure Implementation Readiness:** Several evaluations of 2020 concluded that the projects were either not at an advanced stage at approval or not adequately scoped at the appraisal stage leading to delays or significant scope and/or cost deviations. In order to ensure development effectiveness, there is a need to improve implementation readiness for the approved projects by enhancing stakeholder consultation and the quality of feasibility studies, ensuring that the projects' bidding documents are at advanced stage, and conducting adequate risk assessment.





THE WAY FORWARD

Like all evaluation functions in other MDBs and donor organizations in general, the OED operations have been affected due to international travel bans/restrictions limiting the field visits for collecting data and evidence. In light of the COVID-19 context and the findings of the 2020 Survey of its Knowledge Products, the OED needs to not only adapt to the erratic and unpredictable future but also to seize those great opportunities associated with the context and, more importantly, it has to reinvent itself to be more agile, efficient, useful, and influential. Considering these drivers and looking forward, the OED will, in the near and medium future, put more emphasis on the following key priorities: **Innovating, Involving** and **Influencing**.

- **Innovating:** The OED needs to reinvent its *Policies, Processes* and *Products*, factoring the new paradigm established by the pandemic. For this re-orientation, it is important to re-think the whole Bank's Evaluation approach, both for self and independent evaluations, through a well-defined and comprehensive policy. In order to better respond to future crises, the OED will advise Management to adopt Real-Time Evaluations of the responses. Moreover, the OED will strive to introduce into its processes, new methods and tools of remote data collection

and innovative data analysis capitalizing on big data and artificial intelligence era. Thus, in the future, the OED will, imperatively, re-think its processes based on the constraints of project and evaluation designs and the opportunities offered by new technology trends.

- **Involving:** The OED will devise new engagement methods to ensure a much closer interaction with its stakeholders. Modern social media tools such as Twitter, Facebook, LinkedIn, YouTube, and blogging will be used as additional knowledge dissemination tools. The OED will organize systematic engagement events to launch evaluations as well as to disseminate lessons learned open for all or concerned staff. The OED will also, through the BED Operations and Development Effectiveness Committee (ODEC), ensure that the Executive Directors are kept abreast of the outcomes of its work through organizing regular engagement programs.
- **Influencing:** There is a growing demand for the OED's independent work and its increasing use in the Bank's Management decisions. In line with this trend, the OED will focus more on the learning objective and will ensure that its knowledge base is useful, and its products are responsive to the needs of its stakeholders. Also, the OED will further enhance its focus on macro-level evaluations (Thematic, Sectorial, Corporate, Country and Program evaluations) with an aim to influence the Bank at the strategic level.

CHAPTER 1

THE EVALUATION YEAR AT A GLANCE



The Operations Evaluation Department of the Islamic Development Bank delivers its Annual Work Program (AWP) to achieve the dual purpose of strengthening the evaluation culture for improved performance and promoting organizational learning within the Bank. The 2020 AWP was presented to and approved by the Operations Development Effectiveness Committee (ODEC) of IsDB's Board of Executive Directors. The evaluation activities described covered three key areas: project evaluations, macro-level evaluations, and enabling, learning and outreach (ELO) activities. Below is a synopsis of the evaluation year 2020.

2020 EVALUATIONS AT A GLANCE



10
OCR PROJECTS
EVALUATIONS



2
SPECIAL
EVALUATION



27
PCR VALIDATION
NOTES



2
MCPS IMPLEMENTATION
REVIEWS



2
THEMATIC EVALUATION

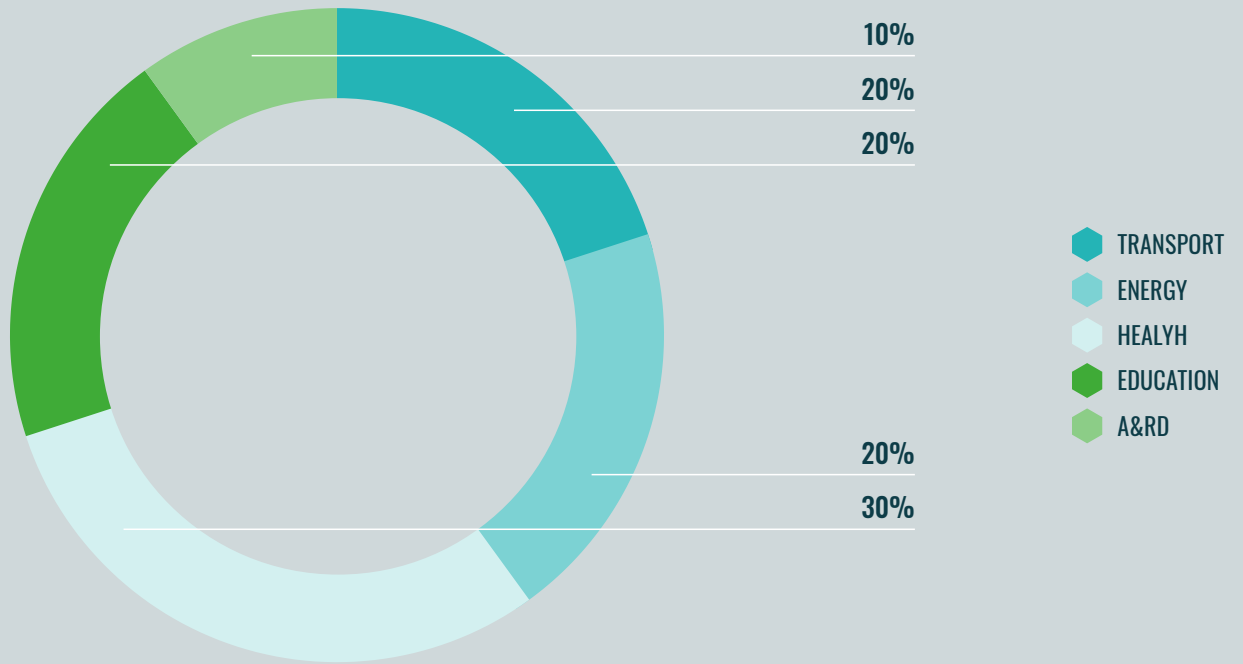


1
CORPORATE EVALUATION



1
PROGRAM EVALUATION

SECTOR-WISE DISTRIBUTION OF PROJECT LEVEL EVALUATION





Stakeholder Meeting with ICBA, UAE. Source: Islamic Development Bank (Operations Evaluation Department).

PROJECT EVALUATIONS

Post-Evaluation of Completed Projects financed under Ordinary Capital Resources.

The OED planned to undertake 10 project-level evaluations as scheduled in the 2020 AWP, and all 10 project-level evaluations were conducted. The projects involved were located in nine Member Countries: Burkina Faso, Egypt, Indonesia, Jordan, Mauritania, Morocco, Pakistan, Turkey, and Uganda, and covered five sectors: Agriculture & Rural Development, Education, Energy, Health, and Transport.

At the request of senior management, the OED conducted two special evaluation studies entitled “Cost of Doing Business at the Bank”

and “Assessment of the Performance of the International Center for Bio-saline Agriculture (ICBA)”. The study on cost of doing business assessed the extent to which total operating cost has evolved over a five-year period (2015-2019), particularly in the context of organizational migration, and offered insights on cost and value optimization. The organizational assessment of ICBA provided a comprehensive review of its performance, measuring its contribution to development and analyzing the contextual forces that affect its capacity to achieve its purpose and deliver on its mandate.

Review and Validation of Project Completion Reports:

The OED reviewed 27 PCRs and prepared a total of 27 PCR Validation Notes during 2020.

GEOGRAPHIC DISTRIBUTION OF PROJECT LEVEL EVALUATIONS



MACRO-LEVEL EVALUATIONS

i. Country Evaluation

In 2020, the OED initiated validation of MCPS implementation reviews for Kuwait and Bangladesh. The aim of these reviews is to independently validate the findings and lessons learned reported in the MCPS Completion Report to be prepared by the Country Strategy & Cooperation Department, and their focus will be the learning aspects of these reports in order to provide useful inputs for future MCPSs.

ii. Corporate Assessment

During 2020, the OED launched the Corporate Evaluation of Operational Efficiency, a planned series of evaluations on operational efficiency, of which the first topic is quality at entry of IsDB operations. The Department also continued to work on a corporate assessment of IsDB off-balance sheet resource mobilization efforts initiated under the 2019 Work Program. More importantly, the OED finalized the Corporate Evaluation of the IsDB Group Synergy launched in 2018 and presented the findings of this exercise to the IsDB Board.

iii. Program Evaluation

During 2020, the OED initiated evaluation of the IsDB's Food Security Program (under the Jeddah Declaration) launched in 2008, of which scoping of an evaluation, a desk review, and an approach paper have already been completed. The planned completion of the in-depth evaluation is in 2021. In addition, the OED continued work on the evaluation of the IsDB's Equity Investments in Islamic Banks program, which was initiated in 2019.

iv. Thematic Evaluation

Two Thematic Evaluations, i.e., evaluations of projects financed through lines of finance, and a synthesis of lessons learned from Islamic finance evaluations were initiated in 2020. In addition, three thematic evaluations that were initiated in 2019G, including the Synthesis of Evaluations of Programs Contributing to Regional Integration in the Member Countries report, a report on Public-Private-Partnerships (PPPs), and the Consolidated Report on Islamic Finance Technical Assistance Grants, were finalized during this period. The OED has shared the findings of the PPP evaluation with the Country Program Complex.



CONSIDERING THESE DRIVERS AND LOOKING FORWARD, THE OED WILL, IN THE NEAR AND MEDIUM FUTURE, PUT MORE EMPHASIS ON THE FOLLOWING KEY PRIORITIES: INNOVATING, INVOLVING AND INFLUENCING.

ENABLING, LEARNING, AND OUTREACH (ELO) ACTIVITIES

The OED undertook a range of activities to facilitate delivery and use of evaluation knowledge products and to enhance the capacity of the OED staff members and relevant officials of implementing agencies located in member countries. These activities bridged the knowledge gaps and enhanced staff expertise in areas critical to achievement of departmental goals. Highlights of ELO activities of the OED during 2020 are as follows:

Learning Activities

Amid the challenges posed by the COVID-19 pandemic in 2020, the OED took part in Asian Evaluation Week, hosted by the Asian Development Bank, and in the ECG Special Virtual Meeting hosted by the European Investment Bank, to discuss the ECG members' responses to the COVID-19 crisis. The OED also took part in the ECG Spring 2020 and Fall 2020 Virtual Meetings hosted by the European Investment Bank.

Moreover, the OED participated in the EvalMENA Conference held in Jordan. Internally, the OED staff attended a training program on climate change organized by the Climate Change Division (CCD) of the IsDB.

Outreach and Dissemination Activities

A total of 22 knowledge products were published and disseminated in 2020. The web-based OED knowledge portal, LEARN, and the system for monitoring OED recommendations, called Systematic Tracking of Execution of Evaluation Recommendations (STEER), were finalized and made ready for launch. A webinar on knowledge-sharing and dissemination of the findings obtained from the synthesis of evaluations of IsDB interventions in the Water & Sanitation Sector was held virtually and involved discussants from four member countries: Azerbaijan, Iran, Morocco, and Senegal.

Enabling Activities

Due to travel restrictions, external capacity development programs have been limited to virtual events. Two virtual workshops were organized on monitoring and evaluation techniques and tools in partnership with the Association of Engineers of the Hassania School of Public Works for the association's members.

The OED initiated development and/or review of eight templates and guidelines in order to emulate emerging good practice in evaluation, keep abreast of shifting organizational thematic policies, increase clarity, improve effectiveness in light of experience, and enhance utilization of the templates. The initiatives included, among others, preparation of new MCPS-Completion Report Validation Note guidelines and revision of PCR-Validation Note guidelines and PPER guidelines and template.

CHAPTER 2

PERFORMANCE ANALYSIS AND DEVELOPMENT RESULTS





PERFORMANCE ASSESSMENT

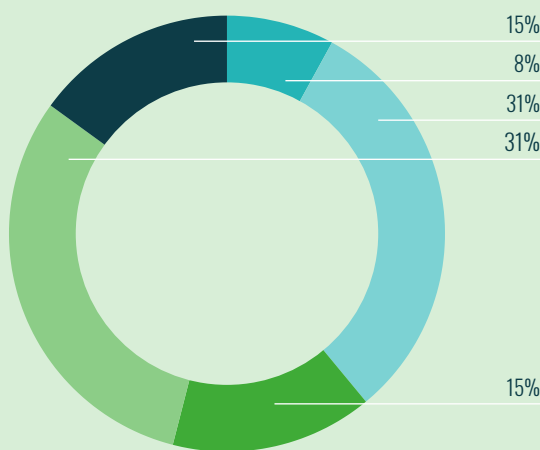


OVERVIEW

In 2020, the OED conducted 10 project post-evaluations, six macro-level evaluations, and two special evaluations. In terms of distribution of the evaluated projects by mode of financing, loan and installment sale modes accounted for 62% of all projects evaluated followed by leasing and Istisna'a modes, which accounted for 15% each. The TAs accounted for 8% of the evaluated projects.

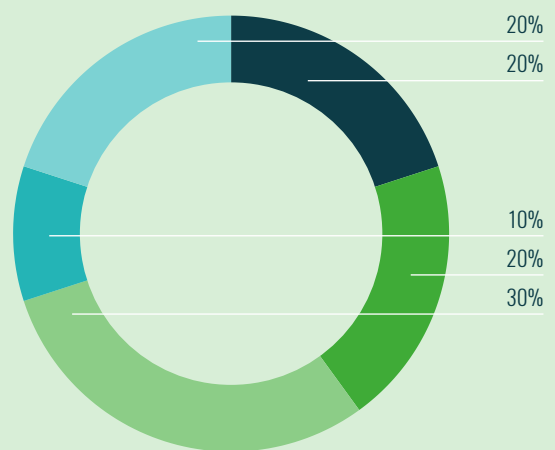
In terms of sector distribution of 2020 evaluated projects, Health Sector projects accounted for 30% of all evaluated projects, followed by ones in the Education, Energy, and Transport Sectors, which accounted for 20% each of evaluated projects. Finally, Microfinance projects constituted 10% of projects post-evaluated during the year. **Annex I** provides a summary of each evaluated project, including background, main findings, and lessons learned.

MODE OF FINANCING



- TA
- Loan
- Istisna'a
- Installment
- Leasing

SECTOR



- Energy
- Transport
- Health
- Microfinance
- Education

CRITERIA-BASED ANALYSIS

Projects were evaluated in line with the Good Practice Standards using the internationally recognized evaluation criteria of the Organization of Economic Cooperation and Development-Development Assistance Committee (OECD-DAC): Relevance, Efficiency, Effectiveness, and Sustainability.

1. Relevance

All evaluated projects were found to be relevant to the member countries' strategic priorities and aligned with the IsDB 10-year strategy and commitment to developmental effectiveness including its five strategic pillars and one cross-cutting area. Overall, 80% of the evaluated projects were rated as "Highly Relevant" and the remaining 20% were rated as "Relevant".

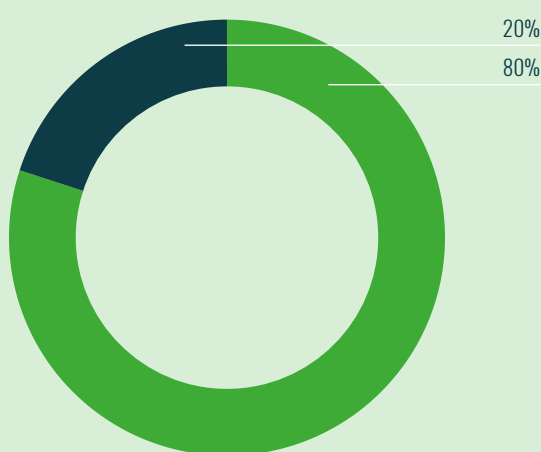
No project evaluated this year was rated "Partly Relevant" or "Irrelevant". Even though overall assessment found an evaluated project to be

"Highly Relevant" or "Relevant", the evaluation found a room for improvement, particularly with respect to relevance of project objectives and design. Furthermore, alignment of outputs to stated objectives and intended outcomes was another area found to be in need of improvement. Also, more than 50% of the evaluated projects either lacked a project logical framework completely or else lacked a properly formulated one. Moreover, those projects that had a logical framework did not adapt it to the contextual evolution that occurred during implementation, thereby affecting its design relevance at evaluation.

2. Effectiveness

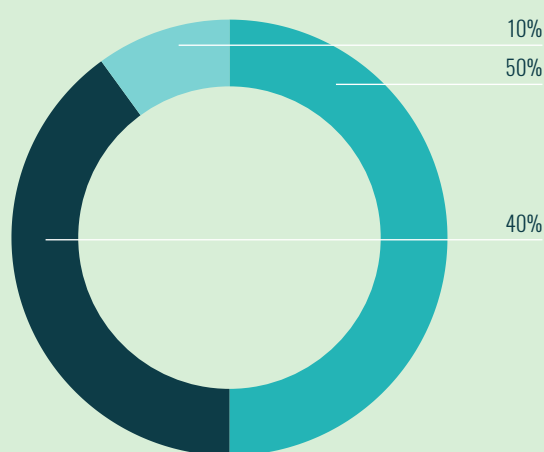
Overall assessment of effectiveness showed that 90% of the evaluated projects were either "Effective" or "Highly Effective". Only one evaluated project (in the Education Sector) was found "Ineffective". Thus, the vast majority of evaluated projects achieved their intended outputs and eventually contributed to achievement of their intended developmental outcomes, resulting in impactful changes in the living conditions of the project beneficiaries within the member countries.

RELEVANCE



- Highly Relevant
- Relevant

EFFECTIVENESS



- Highly Effective
- Effective
- Ineffective

Evaluations revealed that the following factors affect project effectiveness:

- Changes in the design and scope of the project at the beginning of or during implementation,
- Delays at start-up and during implementation that prevent the project from fully achieving its outputs, and
- Unavailability or late release of government counterpart funds.

Moreover, the absence of actual baseline information “with the project versus without the project” and lack of statistics on key, country-level national indicators make assessment of project net effects at post-evaluation difficult.

3. Efficiency

Overall assessment with respect to efficiency revealed 50% of evaluated projects to be “Efficient” and 10% to be “Highly Efficient”. The remaining 40% of evaluated projects were either “Less Efficient” (30%) or “Inefficient” (10%). None of

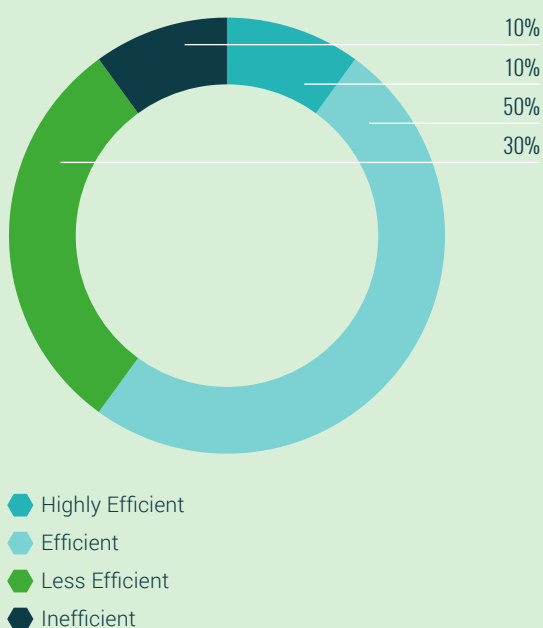
the evaluated projects was completed within the timeframe defined at appraisal.

The average implementation delay for all evaluated projects was 19 months. Three evaluated projects (30%) were completed with an implementation delay of less than 12 months, whereas six (60%) were completed with an implementation delay exceeding 12 months, with the Rural Income and Employment Enhancement Project in Uganda registering the longest implementation delay. One project (the VOLIP project in Mauritania) was closed early. For example, the VOLIP project in Mauritania experienced a cost underrun of 70%, while the Al-Zarqa Hospital project incurred a cost overrun of 40%.

The average cost variation due to cost overrun and underrun (i.e., average of actual project cost less appraisal estimate) for all 10 post-evaluated projects was 22%. Five evaluated projects (50%) had a cost underrun, whereas three evaluated projects (30%) had a cost overrun. The remaining two projects (20%) were implemented within their allocated budgets.

The primary challenges affecting project efficiency were cost efficiency and time efficiency, and the main causes of cost variations and delays in implementation included the following: (i) Delays on the part of the beneficiary-country’s government in releasing its counterpart funding; (ii) Changes in design and scope of the project; (iii) Poorness of feasibility study quality; (iv) EA’s lack of familiarity and experience with IsDB rules and procedures; (v) Weak capacity of contractors to manage contextual challenges (e.g., shortages of raw material, skilled labor, etc.); (vi) Local currency depreciation/devaluation; (vii) Political and social situation in the beneficiary country; and (viii) Delays in disbursement and slow responsiveness by the Bank.

EFFICIENCY



4. Sustainability

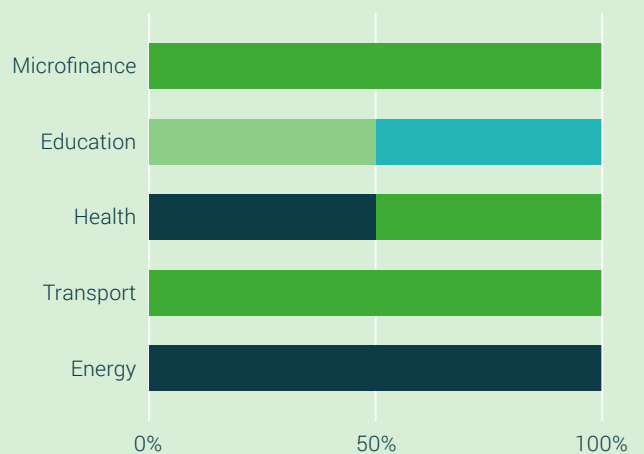
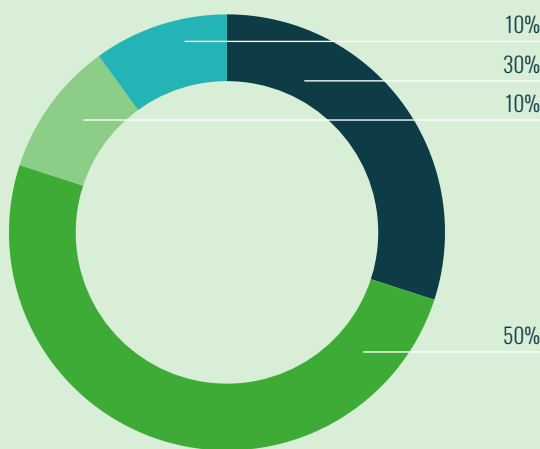
Overall assessment of sustainability showed 80% of evaluated projects to be either “Likely” or “Most Likely” sustainable. The remaining projects (20%) were assessed as “Less Likely” or “Unlikely” sustainable. For the evaluated projects, in general, the governments of the executing agencies/ member countries put in place those measures necessary to fully mainstream or effectively integrate sustainability principles into national structures to ensure long-term continuation of project benefits.

Assessment revealed that projects related to the Energy Sector were more likely to be sustainable whereas those in the Health, Microfinance, and Transport Sectors were either likely or less likely to be sustainable. One project in the Education Sector was found unlikely to be sustainable.

A thorough examination revealed the following underlying causes that affected the sustainability of evaluated projects:

- Absence of exit strategy/plan in the project’s design;
- Insufficient allocation in the national budget to maintain the facilities following project completion;
- Inadequate ownership of and commitment to the project by its end-beneficiaries, especially for Microfinance and Health Sector projects; and
- Lack of mainstreaming of projects into national institutions to support long-term sustainability.

SUSTAINABILITY



- Most Likely
- Likely
- Less Likely
- Unlikely

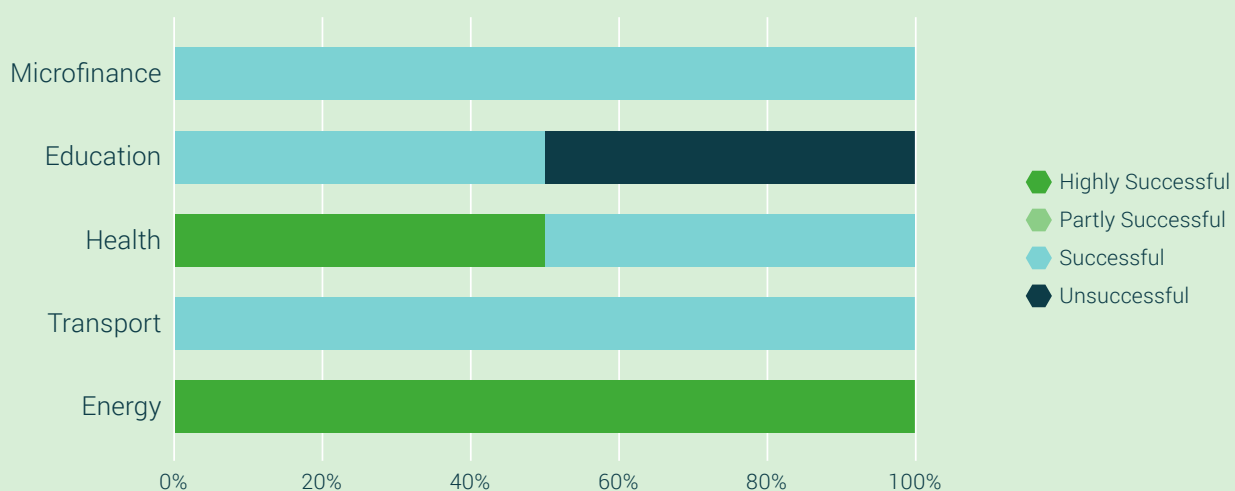
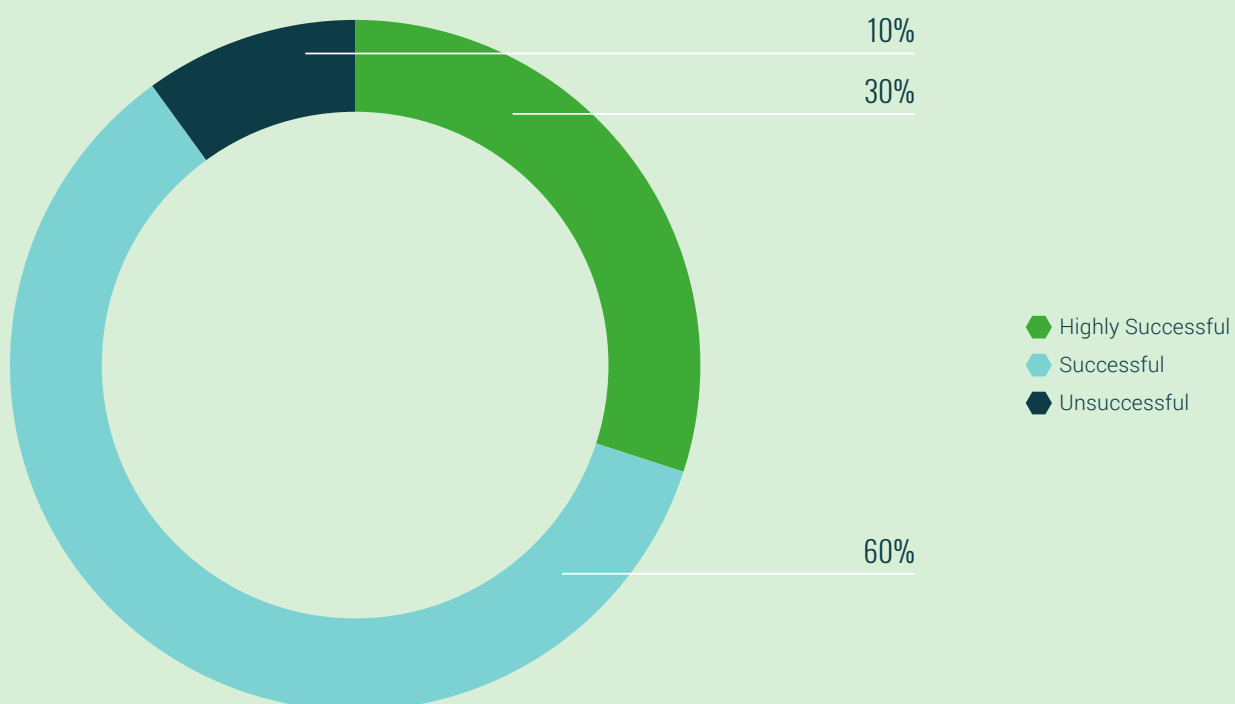


OVERALL PERFORMANCE ASSESSMENT

Performance assessment of evaluated projects was based on a four-point rating scale including the following: Highly Successful, Successful, Partly Successful, and Unsuccessful. From the 10 projects evaluated this year, three (30%) were rated “Highly Successful”, six (60%) “Successful”,

and one project (10%) was rated “Unsuccessful”. Energy Sector projects received “Highly Successful” ratings whereas a project in the Education Sector was assessed “Unsuccessful”.

The evaluations revealed that the most prevalent factor affecting performance of evaluated projects was project efficiency. The majority of projects assessed as “Successful”, “Partly Successful”, and “Unsuccessful” were also less efficient.



DEVELOPMENT RESULTS

Development Results Mapped Against IsDB-Group 10-Year Strategy

This section provides a summary of the development results of the evaluated operations (strategies, programs, and projects) and maps them against the five strategic pillars of IsDB's 10-year strategy.

Pillar 1: Economic and Social Infrastructure

In 2020, eight of 10 post-evaluated projects contributed to the Economic and Social Infrastructure Pillar, covering the Transport, Energy, Health, and Education infrastructures. The concentration of evaluated projects in these sectors aligned with the 10-year strategy focus on economic and social infrastructure development.

Transport Infrastructure

The two evaluated Transport Sector projects have contributed to meeting the transportation demand of the more than 2 million passengers traveling between Ankara and Konya, Turkey, annually and increased port shipment capacity from 10.1 million tons in 2015 to about 18 million tons by end of 2018 in Jorf Lasfar (Morocco). The Ankara–Konya High Speed Railway Line Project in Turkey reduced the travel time from Ankara to Konya from 3.5 hours (via road) to about one hour and 45 minutes; and, in 2019, annual traffic on the Ankara–Konya route reached 2.1 million passengers, with total passenger revenue of 44 Million TL. Due to the COVID-19 pandemic, traffic recorded was only 570,000 passengers from January to November 2020.

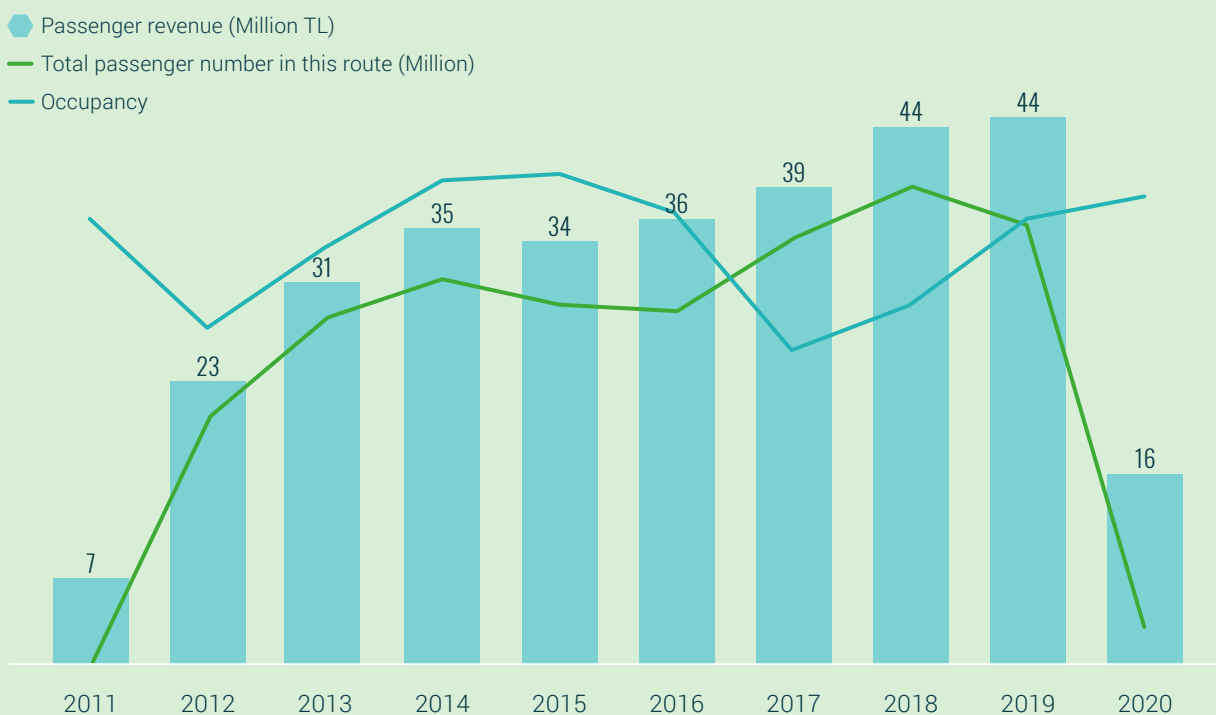


Figure 1: Ankara–Konya Passenger Numbers, Revenue (millions), and Occupancy Rates (%), 2011-2020

The OCP Jorf Lasfar Port Expansion Project had almost doubled the port's shipment capacity after the rehabilitation and extension works, going from 10.1 million tons in 2015 to about 18 million tons by the end of 2018. As shown below, the number of ships charging/discharging from the port jumped from 571 to 686 during this period.

phosphate rock from Jorf Lasfar Port began and reached 1.11 million tons by 2019. Quantities of fertilizers exports through this port increased from 3.44 million tons in 2015 to more than 8 million tons in 2019. Amounts of imports also increased significantly; for example, import of sulphur products increased from 3.13 million tons in 2015 to almost 5 million tons in 2019, while imports of ammonia increased from less than 1 million tons to 1.62 million tons by 2019.

Amounts of OCP imported and exported products reflect the increase in port operations, as shown in the figure below. Starting in 2018, OCP exports of

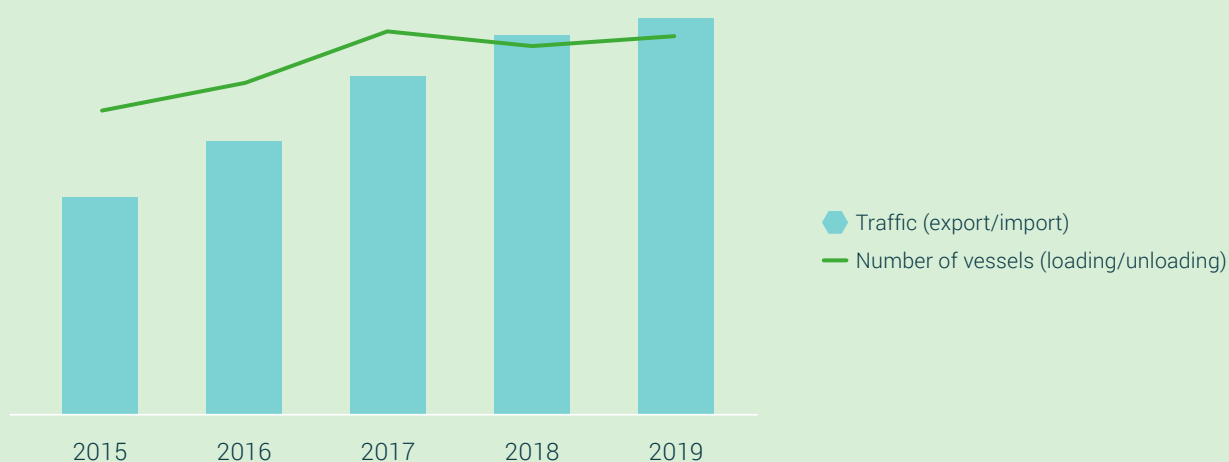


Figure 2: Jorf Lasfar Port Traffic (million tons) and Number of Vessels, 2015-2019

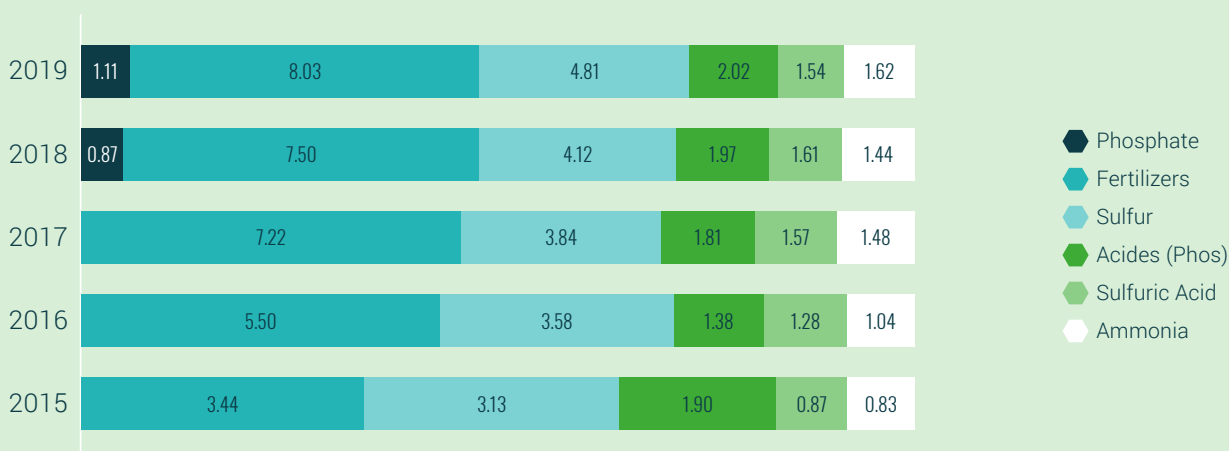


Figure 3: OCP Products Traffic through Jorf Lasfar Port

Energy Infrastructure

The two evaluated Energy Sector projects added a total installed generation capacity of 8586-Gigawatt hour per year (GWh/year) of electricity to the national grids of Egypt in 2019.

By supplying the national grid with 3,226 GWh of additional energy in 2019, the Al-Suez Power Plant Project helped meet the increasing demand for electricity in the Egyptian national grid and increased the network's reserve margin.

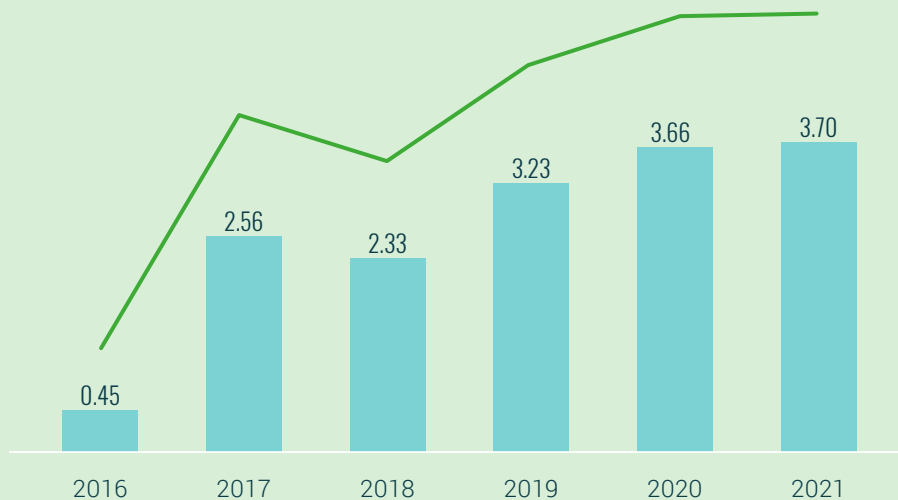
Al-Suez Power Station is among the highest-producing electricity plants in EDEPC. The Al-Suez Power Plant's contribution to the country's power-generation capacity represented 1.35% of gross energy generated and 2.11% of peak demand in 2017 and accounted for 17% of the energy supplied by EDEPC in December 2019.

The Benha Power Plant Project satisfied Egypt's increasing demand for electricity from that country's unified power system and improved the reliability of the power-generation system by supplying an additional 5360 GWh/year of electricity to the national grid. The plant is working on a base load of about 8000 hours per year.

Health Infrastructure

Two of the evaluated projects, (i) Development of Medical Education & Research Centre & Two University Hospitals Project in Indonesia and (ii) Construction of Al-Zarqa New Government Hospital Project in Jordan, contributed to strengthening the health infrastructure in these countries. The Development of Medical Education & Research Centre & Two University Hospitals Project built three medical education and research healthcare hospitals in Indonesia, and these hospitals played an important role in Indonesia's response to the COVID-19 pandemic. In addition, this project built the Indonesia Museum of Health and Medicine (iMuseum). Accessible to students, researchers, and the general public, it is the first medical education museum in Indonesia and the largest in Southeast Asia. Similarly, the Construction of Al-Zarqa New Government Hospital Project in Jordan built a 500-bed capacity hospital over a 57,592 m² area and made up of 10 levels. The project also procured and installed state-of-the-art medical equipment for the hospital.

ADDITIONAL ELECTRICITY (THOUSAND GWH)



Education Infrastructure

The two evaluated Education Sector projects contributed to improved access to education by constructing an additional 155 classrooms, fully equipped with sitting tables, 30 boreholes, and 30 teachers' houses with relevant facilities (latrines and kitchens) in Burkina Faso and Mauritania. The Basic Education Development Project in Burkina Faso also constructed and equipped one teachers training college and a 500-seat amphitheater. A total of more than 10,000 students now benefit from these additions to the two countries' educational infrastructures.

Pillar 2: Private Sector Development (Job Creation)

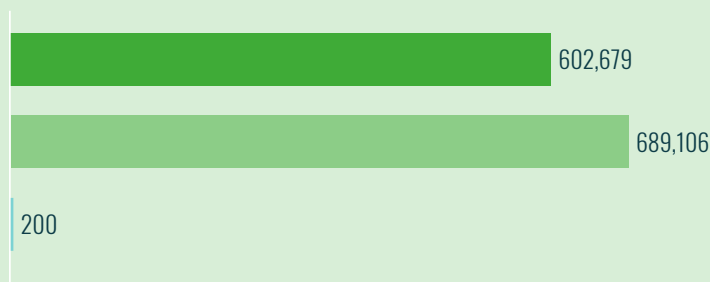
Three of the evaluated projects, the Rural Income and Employment Enhancement Project in Uganda, the Support to the Polio Eradication Program (PEP) Phase II Project in Pakistan, and the OCP Jorf Lasfar Port Expansion Project

in Morocco contributed directly to the Private Sector Development Pillar of the 10-year strategy. These projects created **1,291,985 permanent jobs** and **2,022,782 temporary jobs** in the Health, Microfinance, and Transport Sectors.

Pillar 3: Islamic Finance Sector Development

The Rural Income and Employment Enhancement Project (RIEEP) in Uganda supported investments in Islamic finance institutions, regulations, and capacity development. Through the RIEEP project, the Bank facilitated access to and utilization of affordable financial and business development services by poor rural Ugandans, with women accounting for 49% of the beneficiaries. The project also contributed to the socio-economic development and transformation of Uganda's rural population and played an essential role in the development and passage of the Islamic Finance Law in Uganda. It also developed the systems and structures for Islamic Finance.

PERMANENT



TEMPORARY

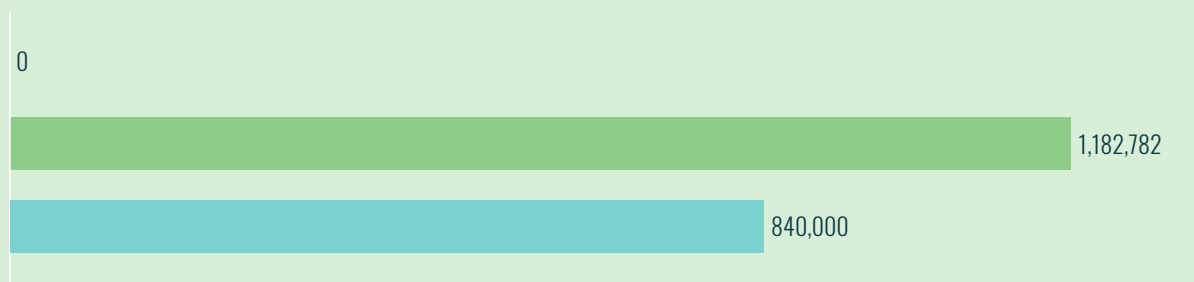


Figure 4: Job Creation by Sector

Pillar 4: Social Development

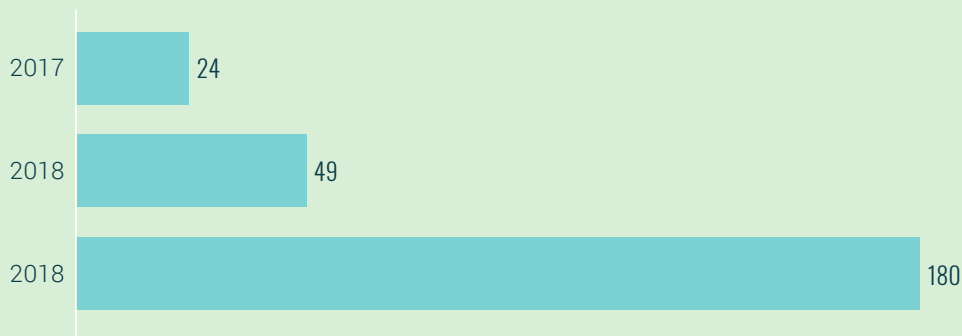
Six of the post-evaluated projects contributed to achieving the Bank's targets of inclusive growth at the MC level and ensured that no segments of the population were left behind as MCs grow. The post-evaluated projects contributed to improving various core areas of social development including health, education, women's empowerment, and microfinance.

Health

The Development of Medical Education & Research Centre and Two University Hospitals Project (3-in-1 Project) in Indonesia, the Construction of Al-Zarqa New Government

Hospital Project in Jordan, and the Polio Eradication Program (PEP) Phase II Project in Pakistan contributed to IsDB efforts in (i) improved medical teaching, research, and service delivery to the population; (ii) the fight against preventable diseases; and (iii) improvements in the global health status of MCs' populations. For example, the PEP has made considerable progress in reducing Wild Poliovirus Type-1 (WPV1) transmission and contributed to a steady reduction in the number of children paralyzed by polio, which ranged from 306 in 2014 to 12 in 2018 in Pakistan. All told, a total of 39 million children were vaccinated in two nation-wide campaigns conducted in Pakistan.

REVENUE IN MILLION OF IRD



NUMBER OF PATIENTS (MILLION)

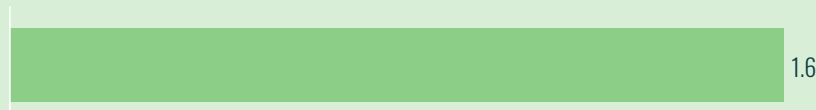


Figure 5: 3-in-1 project in Number



Education and Women's Empowerment

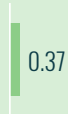
The RIEEP Program in Uganda and the PEP in Pakistan contributed to the Social Development Pillar of the IsDB 10-year strategy by supporting women and youth through capacity building, social and professional empowerment, and educational programs. The PEP Program strengthened the engagement of women in social mobilization activities by identifying and deploying female social mobilizers/vaccinators in the toughest parts of Pakistan. During 2017 and 2018, 55% and 62%, respectively, of program staff were female, and these levels of female participation not only empowered females socially and economically within their society but also created a group of women role models for other females in the communities in which they were present.

Similarly, the RIEEP project reached 689,106 rural individuals (out of which 49% were women) and created employment opportunities for 1,312,092 individuals throughout the country, with a least 50% of these being women.

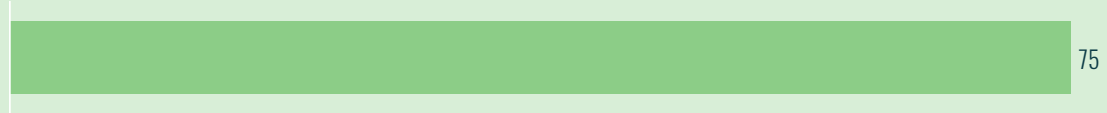
Microfinance

The Microfinance Project (RIEEP) in Uganda was implemented to alleviate extreme poverty and to empower disadvantaged people, youth, and women in that country. The RIEEP successfully financed 173 Sharia-compliant operations/projects through 101 client institutions, including saving and credit cooperatives (SACCOS), small and medium enterprises (SMEs), and microfinance institutions. Under the project, a total of USD 9,035,000 was disbursed to finance approved client projects.

NUMBER OF PATIENTS (M)



REVENUE (MILLION USD)



NUMBER OF BENEFICIARIES

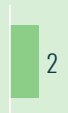


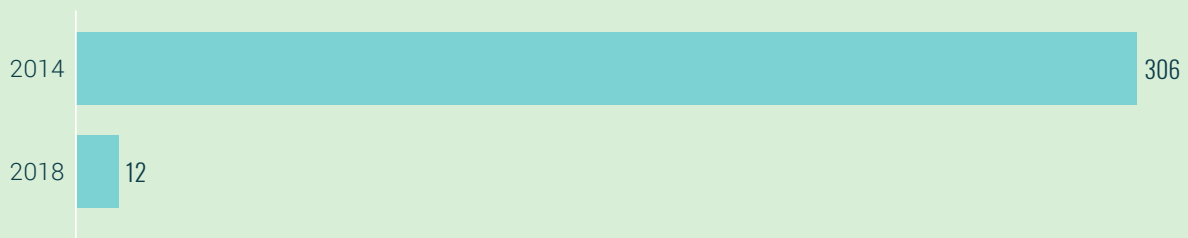
Figure 6: Zarqa project in Number



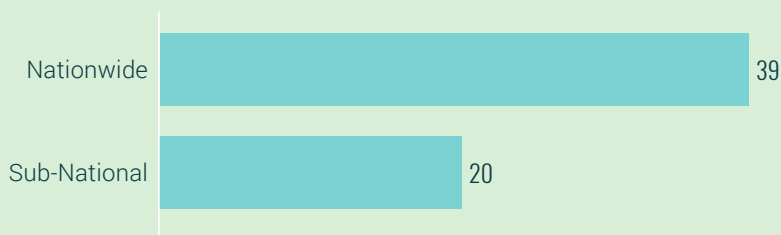
Cross-Cutting Pillar: Capacity Development

In line with the IsDB 10-year strategy, capacity development was integrated into most of the evaluated projects, which augmented the material and technical capacities of the project-implementation agencies and beneficiaries. For instance, the RIEEP project implemented several capacity-building activities, including training of 23 microfinance support center (MSC) staff and 143 selected SACCOs, MFIs, and unions and a study tour for MSC staff to Sudan to profile and identify potential Islamic microfinance projects/clients. In Indonesia, the 3-in-1 hospital project contributed to the improvement of medical teaching and research through the graduation of 14 master's degree program graduates, three PhD program graduates, and 99 short-term training participants.

NUMBER OF CHILDREN PARALIZED



NUMBER OF CAMPAIGN (MILLION)



TOTAL DOSE ADMINISTERED (MILLION)

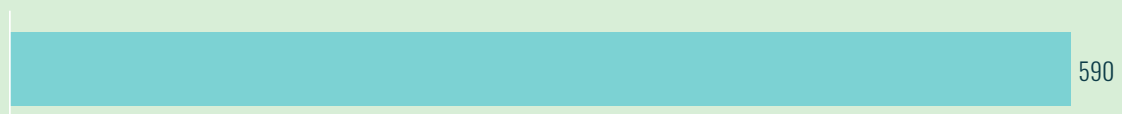


Figure 7: PEP project in Number

CHAPTER 3

FEATURED TOPIC: EVALUATION IN THE CONTEXT OF THE PANDEMIC



Over the course of 2020, the COVID-19 pandemic has taken many lives, infected millions of people, brought the global economy to a halt, and cast a dark shadow across our future. No country has been spared, no population group unscathed. Nobody has been immune to its impact.

The OED witnessed a surge in demand for Evaluation inputs and knowledge products that coincided with the reinforcement of linkages with evaluability, partnerships, and policy dialogue. These inputs added value to management's decision-making process, as the trend beginning in 2020 and running into 2021 expects increased strong engagement with management, which it would advise with respect to result frameworks and management-initiated evaluations. In this chapter, the OED recognizes the changing focus of the Evaluation function and of its methods and designs in response to the pandemic.

In response to the global crisis and to address the economic and financial havoc wrought by the COVID-19 pandemic, the IsDB Evaluation function's contribution during the response to the crisis—by leveraging knowledge products and creating efficient relationships and processes—was substantial.

From its outset, it was clear that the pandemic constituted more than a health crisis, but was and continues to be a socio-economic and humanitarian one also. However, the occurrence of a major crisis such as the COVID-19 pandemic does not nullify pre-existing problems, such as poverty, unemployment, food insecurity, and gender-based violence, which persist and may, in fact, be exacerbated in the aftermath of the crisis. In addition, the impacts of decisions made during crises can continue as ripple effects of the decisions long after the crisis, in this case the pandemic, has ended.





Even though every crisis is different and this one is certainly like no other event that has occurred in contemporary times, failing to recognize the lessons to be gained from other, comparable contexts that have occurred previous to this one would be unwise. One context exemplifying the wisdom of the previous statement is the Special Evaluation of the IsDB's emergency response to the West African Ebola Crisis, which provided several transferable learning opportunities applicable to the current pandemic. The OED shared these lessons, which dealt with designing various aspects of the COVID-19 response, with member countries during and after the critical phases of the outbreak. In particular, the eight lessons are highly pertinent to the context of the COVID pandemic (see **Annex III: Eight Lessons for a Successful Delivery of IsDB's COVID-19 Response**).

Effectively managing the long-term repercussions of the COVID-19 pandemic will require an understanding of situations marked by ongoing risks, in which the need for recovery does not recede but instead becomes entangled with pre-existing, new, and immediate concerns.

Noteworthy of mention, gains are being made globally in disaster preparedness, which, however, typically concerns evacuation, rescue, and emergency provisions. Nevertheless, active planning and capacity-building remain key requisites for recovery, now and in future pandemics, drawing positive lessons from partner development organizations, member countries, and those contexts where strategic planning mechanisms have efficiently aided pandemic containment/management and recovery in the past.

In such situations, the Evaluation function recounts key guidance and lessons learned and points the way to the crucial steps that must be followed to save lives, protect societies, and improve recovery, leaving no one behind and addressing the very fragilities and gaps that make some communities more vulnerable than others. It also provides guidance toward addressing future shocks and overcoming the severe and systemic inequalities that the pandemic has so tragically exposed and exacerbated.

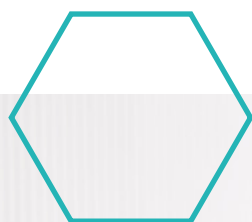
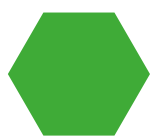
During times of crisis, decisions must be made, with or without data. Informing those who wish to be informed is the primary objective in the domain of evaluation. Evaluators play a key role in the iterative process that comprises rapid response. Coordination mechanisms between MDBs must therefore build on what works, explore new avenues to drive effectiveness, and be inclusive in order to optimize resources and maximize impact.

The Changing Focus of Evaluation:

The Evaluation function is contributing to the fight against the COVID-19 pandemic with relevant and actionable knowledge to support governments and donors and enabling them respond with increased effectiveness to this crisis.

For instance, the OED has drawn evaluation lessons from the Bank's experience in responding to previous crises and published a note, as mentioned above, providing a set of eight key lessons drawn from the Bank's response to the Ebola outbreak in 2014. Moreover, the OED initiated real-time evaluation of the Bank's response program to support Member Countries experiencing the COVID-19 crisis.

Similarly, the current crisis provides the OED with an opportunity to re-prioritize its areas of focus and to mobilize evaluative knowledge and lessons from which the Bank can gain fresh perspectives. Initiatives such as evaluation synthesis and real-time evaluations assessing the Bank's COVID-19 3Rs (Response, Restore, and Restart) approach are critical in gathering data, substantiating findings, generating insights, and identifying solutions for informed policy formulation and evidence-based decision-making.





Modifications to Evaluation Methods and Designs:

The unprecedented circumstances related to the COVID-19 pandemic and the resulting travel restrictions have hugely impacted the OED's capacity to implement its work program. For instance, due to lockdowns, restrictions on movement, temporary bans on international travel, and social distancing, collecting in-person primary data on IsDB interventions became impossible. Though remote data-collection methods using digital tools and methods have provided creative solutions to compensate for the lack of direct interaction, these approaches require adequate infrastructure and staff training. Therefore, in order to discharge its 2020 Work Program, the OED opted to use local consultants, to the greatest extent possible, for data collection. Moreover, as risks should be assessed and ethical considerations should be considered before engaging consultants in fieldwork, a large part of data collection was done remotely, using various methods and tools, and especially through local consultants. In this context, national and regional consultants proved

to be instrumental in supporting evaluation-related data collection, as they had easier access (through language, time-zone, and familiarity with the context) to non-international key informants such as staff of governmental institutions, executive agencies, end beneficiaries, and other local stakeholders. The optimal option would have been to conduct remote consultations with mixed teams of national and international consultants providing guidance and quality assurance.

The current context will continue to shape the way future evaluations are conducted. Evaluation functions should leave their methodological comfort zones, re-thinking their empirical approaches and adjusting their evaluation designs. To this end, the OED will continue to streamline its data-collection processes by optimizing existing data sources, adopting remote practices, working closely with partners, and tapping into local consultants. Nevertheless, the OED remains committed to maintaining the quality and integrity of the data it obtains and to delivering credible, relevant, and well-substantiated evaluations.

CHAPTER 4:

LEARNING AND EMERGING PRACTICES





Lessons learned and emerging practices are critical elements of development evaluations. This chapter provides a synthesis of the lessons learned from project and macro-level evaluations carried out by the OED during 2020. These lessons are organized under the following five themes: (a) Preparation of quality-feasibility and risk-assessment studies can improve project implementation efficiency and thus help to avoid project delays or re-scoping; (b) Clarity of financing agreements and adherence to the implementation of such agreements can lead to efficient project implementation; (c) Having a competent and experienced Executing Agency, selecting technically qualified and financially capable contractors, and establishing proper communication channels among project stakeholders are pivotal to ensuring the smooth and successful implementation of a project and the timely delivery of its outputs; d) Having a well-defined programmatic approach with adequately defined priority areas with specific indicators and clear targets improves development effectiveness; and (e) Government commitment through mobilization of national counterpart funding and fulfillment of its obligations is critical to the successful implementation of projects. These are discussed in detail below.





a)

PREPARATION OF QUALITY-FEASIBILITY AND RISK-ASSESSMENT STUDIES CAN IMPROVE PROJECT IMPLEMENTATION EFFICIENCY AND THUS HELP TO AVOID PROJECT DELAYS OR RE-SCOPING.

Weak feasibility studies generally lead to project delays, cost overruns, and inefficiencies in project implementation, and vice versa. The example below illustrates this lesson.

As the Benha power plant experience in Egypt showed, careful assessment of risks and identification of appropriate mitigation strategies are instrumental in ensuring timely implementation of a project. In this project, using gas was deemed the cheapest way to run a power plant. However, during the project's inception phase and based on the feasibility study, it was decided to run the plant on dual fuel (i.e., gas and heavy fuel oil [HFO]) so as allow for the risk of an interruption in the gas supply. Due to instability

within the country, such interruptions in the supply of gas did occur. Thanks to the risk-mitigation plan, the plant shifted its operation to HFO when needed, preventing it from ceasing operation when this occurred.

As the Suez power plant project in Egypt showed, selection of the appropriate technology has a positive impact on power plant operational efficiency. The choice of the steam cycle technology for the Al Suez Power Plant increased its operational efficiency, as a steam turbine has greater inertia, granting it greater stability in the case of network disturbances. Moreover, steam technology's low level of emissions during operation makes it environmentally friendly.

Well-grounded feasibility studies can help in avoiding re-scoping of projects during implementation. As OED's experience in Indonesia shows, proper cost estimation through technical feasibility and financial studies during the appraisal phase enables efficient implementation. Conducting a quality feasibility study using appropriate project locations and mitigation of expected establishment risks enhanced project efficiency and enabled the project to be completed at only 77% of the original cost estimated at appraisal.

On the other hand, OED's experience with the Basic Education development project in Burkina Faso demonstrated that the failure to conduct in-depth needs assessment and a feasibility survey during the project-formulation stage compromised project interventions and affected project ownership and sustainability. The choice to equip the schools with grain mills for parents' associations was not discussed upstream with the project's beneficiaries and stakeholders, who would have preferred other types of investment that would have been even more profitable for them and more sustainable over the long term.

b)

CLARITY OF FINANCING AGREEMENTS AND ADHERENCE TO THE IMPLEMENTATION OF SUCH AGREEMENTS CAN LEAD TO EFFICIENT PROJECT IMPLEMENTATION.

The Basic Education development project in Burkina Faso highlighted the need for financing agreements to be very precise with respect to aspects of taxation and forms of exemption in order to avoid diverging interpretations that could compromise the project implementation and viability. The department in charge of taxation did not respect the provisions relating to registration of contracts for civil engineering works of the National School for Primary Teachers (ENEP) of Tenkodogo due to the governmental co-financing, which is not subject to the duty-free regime for such contracts. The companies' recorded their contracts under "all of the taxes included" for this part of the financing, thereby leading to claims by these companies of shortfalls in their profit margins. Differences in interpretation of the clauses regarding the listing threshold indicated in the financing agreement require greater precision in future agreements so as to enable the departments in charge of verifying and monitoring contracts to be able to issue their opinion with full knowledge of the facts.

On the other hand, the Vocational Literacy Program for Poverty Reduction (VOLIP) Project in Mauritania illustrated that lack of adherence to program financing agreement terms for a project could affect the project's successful completion. According to the program's financing agreement, training activities were planned to be implemented through local NGOs. However, during program implementation, the government requested cancellation of the NGOs' procurement process, which the Project Management Unit had already launched, with a view to using an existing 200 trainers instead of NGOs to implement the program's training activities. The Bank did not accept this request, as it represented a change to the project plan and as the VOLIP approach was based on the contribution of NGOs in project implementation. As a result, following the government's request, project activities were halted prematurely, and the project was then closed.

c)

HAVING A COMPETENT AND EXPERIENCED EXECUTING AGENCY, SELECTING TECHNICALLY QUALIFIED AND FINANCIALLY CAPABLE CONTRACTORS, AND ESTABLISHING PROPER COMMUNICATION CHANNELS AMONG PROJECT STAKEHOLDERS ARE PIVOTAL TO ENSURING THE SMOOTH AND SUCCESSFUL IMPLEMENTATION OF PROJECTS AND THE TIMELY DELIVERY OF THEIR OUTPUTS.

A lesson learned from the evaluations conducted during 2020 highlighted the critical role that a technically competent Executing Agency (EA) can play in delivering a successful project. In some instances, EAs with limited technical capacity or lack of familiarity with IsDB procedures faced considerable challenges that led to project implementation delays. The examples below illustrate this lesson.

Relying on a highly experienced EA to technically supervise consultancy services could drive a project into a success. PGESCO in Egypt (a power plant project consultant) had the technical skills needed to supervise the project's civil works efficiently. It used cost-effective approaches when planning for procurement that involved splitting the packages of the power plant into various components, thereby helping to reduce costs as well as obtain the best quality component.

As OED's experience with the project in Burkina Faso affirmed, entrusting a single company with large-scale work such as ENEP construction can be very risky. Given the capacity constraints of local companies in Burkina Faso, it can be injudicious to entrust large contracts to companies located in a single company. In the context of this project, hiring a single company to complete all the work the project entailed (i.e., carrying out architectural studies of all ENEP infrastructures and work and monitoring and controlling civil engineering and ENEP equipment work) was not considered wise, as envisaged in the financing agreement. Therefore, following the IsDB's no-objection, the PMU was able to obtain the participation of several companies in separate lots in order to better promote competition and

thereby ensure the well organization of site tasks for timely execution.

Coherence and coordination between PMU and external bodies is critical to improving service provision. A formal mechanism for coordination between institutions sharing the same domain results in synergy. The three institutions established by the Development of Medical Education & Research Centre and Two University Hospitals Project collaborated with other health facilities in the area and other university hospitals within the country through the Association of State University Hospitals, thereby forming a belt of excellence providing outstanding health services.

The involvement of an experienced consultant contributes to timely project completion and to achievement of quality outputs. In the Benha project, the EA selected a qualified technical consultant that supported it in reaching the project's milestones: the engineering work, procurement, preparation of the preliminary design report, preparation of contract packages, issuance of these packages for the bidding process, bid evaluations, and issuance of purchase orders.

Furthermore, the careful selection of local partners is critical to obtaining transformational impact and good project performance. The success achieved by the polio project in Pakistan was due primarily to the powerful outreach capabilities of the implementing agencies and their long-term experience in implementing such campaigns, including overcoming the challenges imposed at the country's borders and continuous displacement status.

d)

HAVING A WELL-DEFINED PROGRAMMATIC APPROACH WITH ADEQUATELY DEFINED PRIORITY AREAS DELINED BY SPECIFIC INDICATORS AND CLEAR TARGETS IMPROVES DEVELOPMENT EFFECTIVENESS.

The lessons learned from the evaluations conducted during 2020 indicate that development outcomes are best achieved within the context of a comprehensive framework that is guided by sound and evidence-based needs assessments.

The OED experience with the Pakistan polio project showed that using indicators with clear targets enables smooth implementation and supervision. The activities carried out by the National Emergency Action Plan—detailing indicators and targets by objective along with specific ownership assigned to each stakeholder—increased project transparency and accountability. In addition, it also led to a better understanding of program targets and allowed easy monitoring of progress at any point in time. Data-driven and tested initiatives were found to be the driving forces for the successful implementation of the program.

OED's experience with the Ankara-Konya High Speed Train project in Turkey showed that having a fully upgraded railway line with an adequate signaling system is crucial to minimize the risk of accidents caused by human error in high speed train operations. High-speed trains include the latest technology, which relies heavily on automated signaling systems. Running these on older lines, where a larger number of staff is involved in signaling, is risky, however, thereby making operation more prone to human error than it would be otherwise. Before the project, the line from Polatli to Konya was upgraded; however, the small portion between the Ankara station and Polatli was not upgraded with the latest signaling system. Consequently, an accident occurred on this portion of the line in 2018. Had the project had a component including the scope of upgrading all the lines so that the trains could operate with minimum risk of accidents caused by human error, this accident could have been prevented.





e)

GOVERNMENT COMMITMENT THROUGH MOBILIZATION OF NATIONAL COUNTERPART FUNDING AND FULFILLMENT OF ITS OBLIGATIONS IS CRITICAL TO THE SUCCESSFUL IMPLEMENTATION OF PROJECTS.

OED's experience with the Al-Zarqa New Government Hospital project in Jordan illustrated how timely release of government counterpart funds can facilitate the smooth implementation of planned outputs. The government demonstrated commitment to the project by securing and promptly releasing its counterpart funds, thus enabling the pace of progress to be sustained during implementation. Also, the Indonesian government's commitment to the Development of Medical Education & Research Centre and Two University Hospitals Project—through provision of relevant local government regulation—allowed the project to receive regular funding from the local government for its services and operations and thus sustained its ability to provide medical care.

On the other hand, as the VOLIP project in Mauritania indicated, early closure of projects without informing all concerned parties can lead to frustration on the part of their beneficiaries. When a disagreement between the Government and the Bank concerning the project's implementation approach occurred, the Government finally requested the early closure of the project without officially informing the project stakeholders, who learned the news from other sources, thus causing them to experience dissatisfaction and frustration.

CHAPTER 5:

RECOMMENDATIONS







SYNTHESIS OF RECOMMENDATIONS

Based on the evaluation findings, several recommendations were proposed for action by the IsDB management and business departments concerned. The purpose of these recommendations is to address the key issues identified through the evaluations and to enable evidence-based decision-making. Their consideration serves as a valuable roadmap to sustainably improve future interventions. Some recommendations require immediate steps without major shifts in approach, whereas others propose strategic and comprehensive changes in the way IsDB conducts its operations over the long term. Coordinated efforts with dedicated implementation plans are required to address these strategic recommendations.

The recommendations can be categorized across five focus areas: (i) Ensuring Continuous Supervision and Promoting M&E; (ii) Improving IsDB's Responsiveness and Communication with Stakeholders; (iii) Focusing on Sector Strategy; (iv) Improving MCs' Capacities and Enabling Environments; (v) Ensuring Implementation Readiness. These are discussed in detail below.

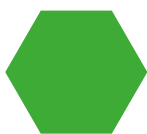




ENSURING CONTINUOUS SUPERVISION AND PROMOTING M&E

Several of the 2020 evaluations highlighted the importance of continuous supervision of projects for their smooth implementation. Moreover, an overarching monitoring framework is needed within the Bank, and this framework should also be replicated in EAs/PMUs for effective data collection and regular monitoring.

- Mainstream the use of results-based monitoring and evaluation in member country partnership strategies (MCPSs). All new MCPSs should have clear indicators to measure results, thereby facilitating alignment of projects with MCPS implementation and the post-evaluation of the strategy itself. Improvement in the quality of interventions' logical frameworks, including adequate baselines and clear output and outcome level indicators, is also needed.
- Ensure closer supervision of project implementation, even with experienced executing agencies, to avoid delays and ensure validity of the assumptions made at appraisal related to project implementation.
- Assist the EAs/PMUs in putting into place an effective monitoring strategy to collect outcome-level data on projects' induced effects on end-beneficiaries' living conditions, particularly for microfinance projects.



IMPROVING ISDB'S RESPONSIVENESS AND COMMUNICATION WITH STAKEHOLDERS

Evaluations in 2020 pointed out the need for accelerated responsiveness and enhanced communication with stakeholders. IsDB should have an effective communication strategy for projects involving several stakeholders. Some specific recommendations from project-level evaluations are as follows:

- Promptly process issuance of no-objections on submitted requests, and, if possible, establish a strict standard response time to be adhered to by all concerned IsDB staff.

- Transmit payment notifications to service providers and inform the PMU that the money has been transferred to specific accounts, and provide supporting evidence thereof.
- Build and maintain a communication channel with an executing agency in order to anticipate any challenges that may jeopardize project continuity and achievement of its objectives.
- Continuously engage with EAs on the pricing of IsDB's service and improve responsiveness to concerns and questions raised during the financial negotiations.
- Clarify tax provisions in funding agreements so that they do not remain general in scope and then compromise project implementation.

FOCUSING ON SECTOR STRATEGY

The Bank needs to have sector strategies for MCs in order to respond adequately to sector needs, to complement IsDB's interventions, and to ensure that intended development results of IsDB-financed projects are achieved and sustained. Moreover, the impact of unforeseen events on sectors should be considered, and necessary actions should be taken to ensure sustainability of benefits.

- Conduct a Sector Portfolio Performance Review and agree upon an action plan for future collaboration with MCs. In the Energy Sector, prioritize a focus on renewable energy as well as the strengthening of the transmission and distribution systems in some MCs (e.g., Egypt).

- Consider further investment in hospital infrastructure in Indonesia, specifically by building new facilities in order to meet the pressing and growing demand in that country's Health Sector.
- Continue full support of disease-eradication efforts in member countries to avoid loss of momentum. The long-term commitment and partnership between the IsDB and the government of Pakistan have transitioned into an environment of confidence and trust for continued cooperation in eradicating polio. The Bank should continue its financial support to that country's polio-eradication efforts, especially during such critical times as those caused by the COVID-19 pandemic, in order to ensure that Pakistan is a polio-free country.

IMPROVING THE CAPACITY AND ENABLING ENVIRONMENT IN MCS

A lack of capacity of executing agencies and weak enabling environments in MCs, particularly with respect to Islamic finance, hampered the smooth implementation of several projects. Continuous engagement with MCs is needed to help them build their capacities as well as create an enabling environment, particularly in microfinance operations. A group-wide country approach for the Islamic finance sector is crucial. The institutional framework in MCs for Public Private Partnership (PPP) projects is also critical. It is therefore recommended to:

- Initiate additional interventions in the Islamic financial market. The bond market needs a greater number of interventions in development of new financing instruments, enabling environment, standardization, harmonization, and institutional capacity building. In this regard, the IsDB should adopt a group-wide country approach for the Islamic finance sector.
- Ensure coordination among IsDB, AAOIFI, CIBAFI, IIFM, IRTI, and other bodies in order to fill the human capital gap in the Islamic financial market sector.
- Contribute to the institution of an appropriate institutional framework in MCs to ensure the successful implementation of Public Private Partnership (PPP) projects. Institutional

capacity of project sponsors and EPC contractors, proper assumption of risks by the relevant parties, convenient off-take agreements, and effective supervision through independent consultants are critical to the successful implementation of PPP projects.

- The Bank and its members, particularly IRTI, should build the capacity of executing agencies responsible for implementing Islamic microfinance projects and of other, related institutions in MCs where Islamic finance is in the early stages of development. This will help them to promote and spearhead development in this sector. In this regard, providing tailored training and supporting product development should be prioritized.
- Ensure that a PMU consists of relevant representatives of departments responsible for project implementation in order to avoid coordination problems within the executing agency during implementation.
- Engage in donor coordination (along with key players) for coordinated funding and expanded resource mobilization for disease eradication in IsDB member countries. Advisory support can be given at the national level, thus bringing to bear the 'key lessons' learned from implementation of similar projects in other IsDB member countries.
- Explore possible contribution to other components of development programs with other IFIs to avoid issues in counterpart funding and to ensure targeted outcomes are reached.



ENSURING IMPLEMENTATION READINESS

Several of the 2020 evaluations concluded that the projects were either not at an advanced stage at approval or were not adequately scoped at the appraisal stage, thereby leading to delays or significant scope and/or cost deviations. In order to ensure developmental effectiveness, implementation readiness for approved projects should be improved.

- Enhance collaboration with regional bodies during the design of regional integration projects. Different regions have differing needs and are at different levels of economic development. The Bank should therefore collaborate with various regional bodies such as ECOWAS and ECCAS during the preparation of regional integration projects to ensure that specific regional needs and developmental goals are considered at the planning stage.
- Focus on quality feasibility studies. The Bank should accord greater importance to quality at its entry into a project, including requiring—at earlier stages of the project life cycle—sound project studies, accurate cost estimates, realistic implementation schedules, thorough assessments of EAs' capacities, and the involvement of all stakeholders concerned.
- Ensure that railway lines on which the new high-speed train sets will operate are fully upgraded with appropriate signalization systems to minimize the impact of human error. The Bank might consider adding a component to the project's scope for this purpose, if necessary, for future high-speed train projects.
- Ensure that projects are at an advanced stage with regards to bidding documents to avoid changes in scope during implementation that will likely cause delays.
- Ensure that project approval is based on a high-quality appraisal document with a clear cost estimate of the project to prevent significant cost deviations during implementation.
- Seek alternatives to finance all necessary project components and avoid leaving important project components outside of IsDB financing.
- Conduct security assessments in Member Countries before implementation. The evaluation of the Basic Education Development Project Phase IV in Burkina Faso revealed that security issues within the country hampered project implementation. The Bank should consider conducting adequate security assessment prior to project implementation to reduce such risks. Specialized UN agencies (i.e., UNDSS) can provide support in this regard. Moreover, the Bank should institute and have in place a policy and associated guidelines to streamline the management of projects in MCs having security issues.
- Adequately assess the risks borne by MC governments at appraisal for PPP projects. Such risks, such as devaluation of the local currency or volatility of demand for PPP project products or services, which will lead to an increased payment schedule for the government in terms of local currency, may have an important bearing on PPP projects' performance. The Bank could also provide a technical advisory role to MCs in this regard.



FOLLOW-UP ON THE PREVIOUS YEAR'S RECOMMENDATIONS

In 2020, the OED made 41 recommendations based upon 14 evaluations. Using STEER, its recently developed evaluation-recommendations implementation follow-up system called STEER (Systematic Tracking of the Execution of Evaluation Recommendations), the OED followed up with all concerned departments and regional hubs regarding the status of implementation of follow-up actions and recommendations made in 2020.

In addition, management prepared and submitted a Management Action Plan (MAP) consisting of 47 actions it intends to take to ensure implementation of evaluation recommendations. Overall, management responses and the MAPs demonstrate the commitment of management to implement follow-up actions and recommendations that have emerged from evaluations.

Management, through a focal person, will provide a quarterly update on the progress made on implementing actions that have been committed to, thus ensuring continuous tracking, and will increase the usefulness of the system as an information and accountability tool. In addition to such progress updates, management will be required to self-assess the level of adoption of recommendations.

The OED validates management's reporting, independently assesses the level of adoption of recommendations, and reports this to the Board. For tracking purpose, the following classification of implementation status of actions is used: (i) *Not Started*, (ii) *Under Implementation*, or (iii) *Completed*. To draw the attention of the Board, these three levels of implementation will be represented by red, yellow, and green flashlights, respectively. The report will also highlight whether there is a delay in implementation for actions classified *Under Implementation*. The report will also include an annex listing all outstanding recommendations as well as those that were completed during the reporting period. A progress report on the implementation status of evaluation recommendations made in 2020 is tentatively scheduled to be presented to the Board in September 2021.

CHAPTER 6:

THE WAY

FORWARD

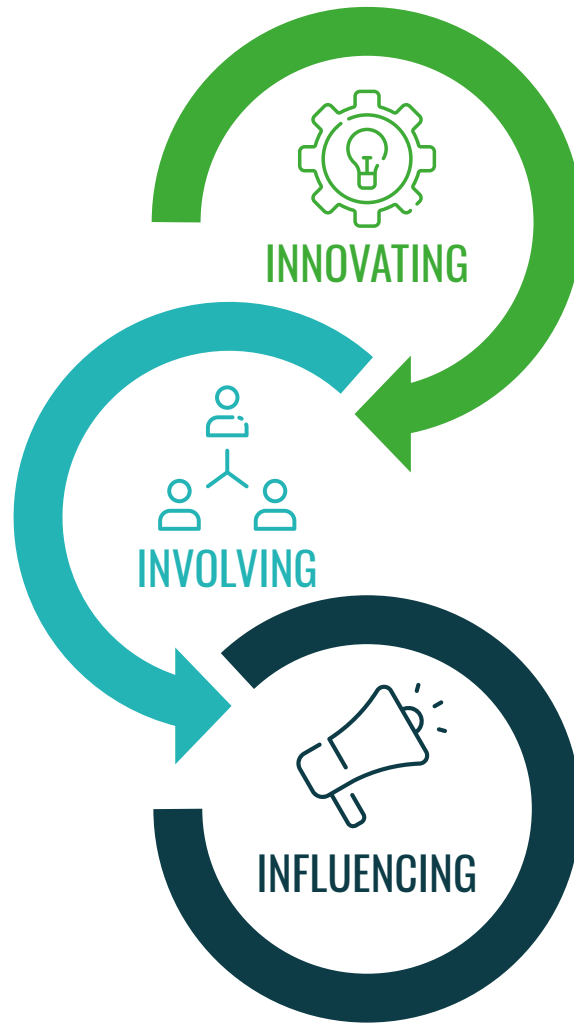




INNOVATING, INVOLVING, AND INFLUENCING

Since early 2020, the world has been experiencing an unprecedented pandemic due to COVID-19. It has, regardless of the level of development of a country or region, negatively impacted socio-economic structures, health systems, private as well as public organizations, and, more importantly, populations. 'Response' and 'adaptation' were the keywords due to the violence and unexpectedness of the outbreak. The arrival of vaccines brought hope. However, the medium- to long-term path of the pandemic will be contingent upon how long the human immune system is protected post-vaccination. This, so far, depends upon the multitude of unknowns that have accompanied the pandemic. Meanwhile, economies and organizations must continue to adapt, respond, and even be proactive, as the future is not predictable.





IsDB as well as the OED have not been spared. Like all evaluation functions in other MDBs and donor organizations in general, OED's operations have been impacted, as staff were not allowed to travel after March 2020 to collect the data and field evidence that forms a critical part of the core business of evaluation due to international travel bans/restrictions. In 2020, the OED adapted to this new challenge, continuing to help management by independently and objectively producing evidence and providing learning inputs in the design of projects under the Bank's Strategic Preparedness and Response Program (SPRP). It also continued operations using novel evaluation methods such as remote data collection. Under

the new circumstances caused by COVID-19, the OED undertook the Annual 2020 Survey of its Knowledge Products as a means to reorient its future work.

In light of the COVID-19 context and the findings of the Survey, the OED must not only adapt to a possibly erratic and an unpredictable future but also seize the opportunities associated with the current context, that is, reinvent itself to be more agile, efficient, useful, and influential. Considering these drivers and looking forward, the OED will, in the near and medium future place greater emphasis, as discussed below, on the following key priorities: **Innovating**, **Involving**, and **Influencing**.



a) INNOVATING

The ultimate goal of OED is to discharge its learning and accountability objectives using *Products* developed through *Processes* anchored on well-adopted *Policy*. Given the above context, the OED needs to reinvent its *Policies*, *Processes*, and *Products*, factoring in the new paradigm established by the pandemic.

To accomplish this re-orientation, the whole of the Bank's evaluation approach must be re-thought, both for self and independent evaluations, through use of a well-defined and comprehensive policy. This essential endeavor will require engaging with management, the project teams, and, more importantly, the BED. In addition, the processes currently used need to be improved and aligned with the new policy.

The pandemic has compelled the Bank and other international donors to respond promptly to the needs of MCs in terms of support in order to address the adverse socio-economic effects of the pandemic, including supporting their vaccination

needs. This had, and will continue to have, direct consequences on the design cycle of the Bank's responses. To that end, the OED will continue providing real-time inputs while maintaining its independence. Also, in order to better adjust future responses, the OED will advise management to adopt real-time evaluations of responses. The OED will also contribute more towards advocating and advancing, for each of these responses, a full-fledged result framework as well as a monitoring and evaluation system.

On the other hand, one of the salient consequences of the pandemic was the drastic cuts or bans on business travel. This posed a significant challenge and obliged the OED to use local consultants for data collection and virtual means to engage with stakeholders. The OED will strive to introduce into its processes new methods and tools enabling remote data collection and analysis, capitalizing on the big data and artificial intelligence era, thus reducing the time and cost of data collection. Thus, in the near future, the OED will, imperatively, re-think all processes based on the constraints now affecting both project design and post-evaluation exercises and on the opportunities offered by current technological trends.





b) INVOLVING

One of the primary lessons learned from the 2020 Perception Survey on OED Knowledge Products was the need to undertake better quality and increased engagement with stakeholders: the Bank's management, Bank staff, government officials in member countries, and Project Management Units (PMUs). Indeed, the OED has many knowledge products through which it engages with its stakeholders.

However, traditional engagement methods (dissemination of knowledge products through e-mails) are apparently no longer sufficient. The learning aspect of the Evaluation function is fundamental and should not suffer from under-utilization. In this regard, the OED will devise new engagement methods to ensure a closer interaction

with stakeholders. Modern social media tools such as Twitter, Facebook, LinkedIn, YouTube, and blogging will be used, where appropriate, as additional means of knowledge dissemination.

Additionally, the OED will organize launch and dissemination events for all macro-level evaluations and lessons-learned dissemination events for particular sectors or aspects of IsDB interventions. It will also organize systematic-learning engagement events for project designers to help input the knowledge accumulated over the years on every type of project, sector, and theme and combinations thereof. Finally, the OED will also, through the BED Operations and Development Effectiveness Committee (ODEC), ensure that the executive directors (EDs) are fully engaged with the outcomes of its work. For that, the OED will, on a regular basis, organize executive directors' engagement programs designed to equip the EDs with the evaluation knowledge base for use in ODEC works.



c) INFLUENCING

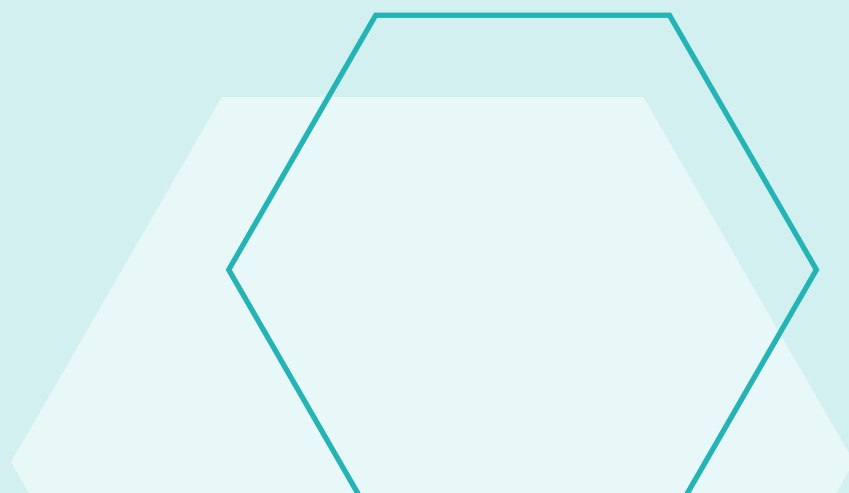
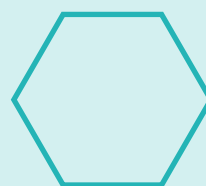
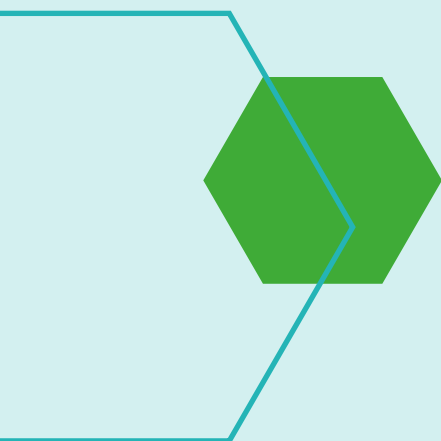
The 2020 Survey of the OED Knowledge Products clearly revealed the stakeholder aspiration of an increased amount of useful learning. Also, in 2020, IsDB management entrusted the OED with additional corporate evaluations (i.e., the Cost of Doing Business study, the Business Continuity Management Survey, Assessment of the Performance of the International Center for Bio-saline Agriculture [ICBA], etc.), thus illustrating the growing demand for the OED's independent work and its increasing use in Bank management decisions. In line with this trend, the OED will focus to a greater extent on the learning objective and will ensure that its knowledge base is useful and its products responsive to the needs of its stakeholders. This will be anchored on two dimensions of its knowledge products: quality of content and format/form of presentation. Also, the OED will further enhance its focus on macro-level evaluations (Thematic, Sectoral, Corporate,

Country, and Program) with the aim of influencing the Bank at the strategic level.

The OED is committed to promoting an organizational culture of learning while ensuring that the Bank's performance and accountability measures are strengthened. The OED will ensure efficient tracking of the implementation of evaluation recommendations and will regularly inform the Board of the progress made in this regard through effective use of the STEER (Systematic Tracking of the Execution of Evaluation Recommendations) IT system, which facilitates the uptake and use of evaluation findings and recommendations by the various business departments. The OED requires additional resources to efficiently and effectively deliver on these critical aspects of its mission, including further enhancements to its toolbox (Innovating), increased engagement with stakeholders, and increased influence at the strategic level (Influencing), while exerting all possible effort to increase the effectiveness of its evaluation work and the implementation of the lessons and recommendations that follow from it.

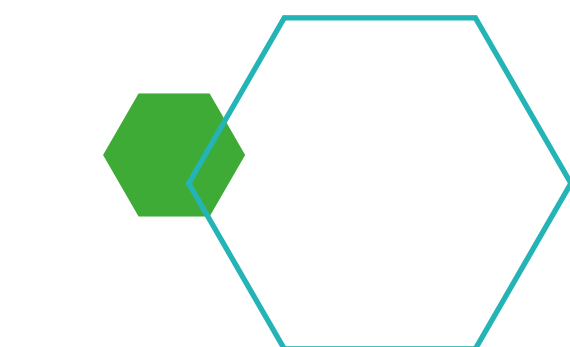
ANNEX I

**SNAPSHOTS
OF PROJECT
EVALUATIONS
CONDUCTED
IN 2020**



Basic Education Development Project, Burkina Faso

CONTRIBUTING TO UNIVERSAL ACCESS TO AND QUALITY OF BASIC EDUCATION



1.

THE CHALLENGE

The Education Development Index (EDI) in Burkina Faso was low and the country ranked 127th out of 129 countries at appraisal. School Life Expectancy was also very low, estimated at 6 years compared to 12.7 years for Turkey in 2008. The overall adult literacy rate was about 31%.



National School for Primary Teachers (ENEP) Tenkodogo Entrance

2.

THE SOLUTION

- At the request of the Governor of Burkina Faso, IsDB participated in financing the Education National Program.
- The project objective was to support the Ten-Year Basic Education Development Plan. It was expected to contribute to an extension of coverage and upgrade in basic education and to a reduction in regional and gender disparities by: (a) creating about 4,500 additional student places by 2015; (b) increasing the number of qualified teachers by creating 500 additional places in the teacher training school network and providing in-service training to the teachers and managers located in the project zones; and (c) improving the monitoring and management capacity of the central and decentralized units of the Ministry of Basic and Adult Education.
- Total project cost was estimated at US\$12.58 million, of which the planned IsDB contribution was US\$11.36 million, representing 90% of the project cost. The remaining US\$1.22 million was to be financed by the Government of Burkina Faso.

3.

FINDINGS

- The project was completed in December 2016, instead of June 2015 as initially planned, incurring a delay of 18 months relative to the approved extension date and 48 months from the original completion date.
- The total cost at completion has considerably increased, reaching US\$91.50 million from US\$65.60 million as planned at appraisal, out of which IsDB disbursed US\$57.90 million. Eventually, the project incurred a US\$26.90 million cost overrun representing 39.5% of the original estimate.
- All project components including the civil works were fully completed per the original plan without deviation, yielding a 10-story, fully equipped hospital with a 500-bed capacity.
- The medical staff currently on duty is comprised of 270 medical doctors, including 70 specialists and 750 nurses. Average number of patients increased from 200 patients to 1000 patients per day after completion of the hospital.
- In October 2018, just under two years after completion, the hospital was accredited by the Health Care Accreditation Council (HCAC) as a University Hospital, and it is being utilized as a teaching facility for students in medicine from the Hashemite University and Prince Hamzah Hospital of Amman University.

4.

KEY LESSONS LEARNED

- **Governmental ability to mobilize national counterpart funds on time is crucial for project success.** Mobilization of the national counterpart funds for project implementation experienced substantial delay, creating blockages during project implementation. Therefore, a government's ability to mobilize national counterpart funds must be thoroughly assessed at project formulation, including contingency plans to ensure that these funds are disbursed on time.
- **The Burkina Faso experience has shown that entrusting a single company with a project on the scale of the ENEP construction can be very risky.** Given the capacity constraints of local companies in Burkina Faso, it is injudicious and imprudent to entrust large contracts to that company, or one similar to it in this respect. In the context of this project, the option to hire a single company to complete the entire project was not favored, as was envisaged in the financing agreement. After having agreed with the IsDB, the PMU was able to obtain the participation of several companies in separate lots in order to promote better competition that ensured good organization of the site and timely execution. Thus, contractor capacity in the beneficiary country is an important factor in selecting the procurement method.



Indoor view of amphitheatre – ENEP, Tenkodogo

The Construction of Al-Zarqa New Government Hospital project

IMPROVING HEALTHCARE SERVICES IN JORDAN

1.

THE CHALLENGE

About 22 percent of Jordan's population faces challenges in accessing healthcare services. The government of Jordan needed to enhance access to healthcare throughout Jordan as a part of its commitment to provide quality healthcare to all within its borders.

The government planned to do so mainly by improving existing hospitals and adding new hospitals to cater to increased demand.



New Al-Zarqa Hospital overview

2.

THE SOLUTION

- Construction of the 400-bed Al-Zarqa New Government Hospital to replace the old, 120-bed hospital, aimed at reducing the infant mortality rate and maternal mortality rate for Jordanians and Syrian refugees living in northern Jordan. The target capacity was later increased to 500 beds.
- The project scope consisted of (i) Civil works, including construction of a new 400-bed hospital that was later expanded to 500 beds and a hostel for nurses; (ii) Medical and non-medical equipment; (iii) A hospital information system; (iv) Consultancy services; (v) Auditing; and (vi) A start-up workshop.
- The total project budget at appraisal was estimated at US\$65.60 million, of which US\$39.20 million was to be financed by the IsDB. An additional operation amount of US\$18.70 million was approved in 2009 to bridge the financing gap resulting from increases in construction and medical equipment costs.
- The project was approved in March 2006 with a planned completion period of 9 years.

3.

FINDINGS

- The project was completed in December 2016, instead of June 2015 as initially planned, incurring a delay of 18 months relative to the approved extension date and 48 months from the original completion date.
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A busy day at the hospital

4.

KEY LESSONS LEARNED

- **Establishment of a dedicated PMU having an appropriate skill mix is a prerequisite for effective monitoring and, ultimately, successful implementation of project activities.** In the Al-Zarqa New Government Hospital project, the delay in implementation was mainly due to a shortage of PMU skills.
- **Timely release of government counterpart funds facilitates smooth implementation of planned outputs.** Under this project, the government demonstrated its commitment by securing and promptly releasing its counterpart funds, which contributed to sustaining the pace of progress during the implementation despite the change in project scope.

Al Suez Steam Power Plant, Egypt

RELIABLE ENERGY FOR AN EXPANDING ECONOMY DEVELOPMENT

1.

THE CHALLENGE

As part of its National Development Plan, the Egyptian government undertook expansion of its electricity infrastructure as top priorities in spurring Egypt's economic growth by meeting the energy needs of the country's Agriculture, Industry, Tourism, and Service Sectors. The Egyptian Electricity Holding Company (EEHC) developed a plan that included Al Suez Steam Power Plant, hoping to secure long-term, adequate energy supplies at affordable prices to meet the requirements of all segments of the Egyptian economy.



The Al Suez Steam Power Plant

2.

THE SOLUTION

- EEHC planned to build a 650-MW steam cycle power plant in the city of Al Suez that would be managed by East Delta Electricity Production Company (EDEPC), a subsidiary of EEHC.
- The scope of the project consisted of procurement, installation, and commissioning of a 650-MW steam turbine generator unit and auxiliaries that could be operated as a dual fuel power generator system using either gas or heavy fuel oil.
- Project cost during appraisal was US\$863.9 million, of which US\$60 million was to be provided by the IsDB, and included the water intake component. US\$550 million was to be contributed by the African Development Bank (AfDB) and US\$254 million by the government of Egypt.
- The project was planned to be completed within five years from the effective date of April 2012.

3.

FINDINGS

- The Al Suez Steam Power Plant, with a 650-MW operating capacity, has generated 2,563 GWh, 2,325 GWh, and 3,226 GWh during the years 2017, 2018, and 2019, respectively, representing 17% of EDEPC's energy supply in 2019.
- The Al Suez Steam Power Plant has been crucial in keeping pace with the electrical demand, which has been rising at an average annual rate of 7.2%.
- The project was implemented by multiple stakeholders through 19 different contacts. It was completed in June 2017, with just a two-month implementation delay.
- The project cost at completion was US\$670 million, an underrun of 23%. IsDB disbursed US\$17.9 million compared to the US\$60 million planned at appraisal. Change in the design of the water intake system financed by IsDB to the hydrologic system yielded the cost saving.

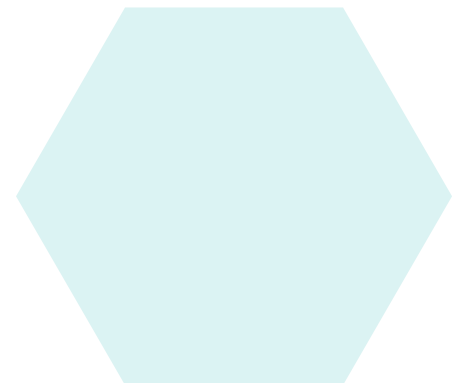


Water intake of power plant financed by IsDB

4.

KEY LESSONS LEARNED

- **Strong capacity and good coordination between all stakeholders can contribute to mitigating the challenges posed by multiplication of packages:** The capacities of the project team, contractors, and consultants, all of which demonstrated responsiveness and good coordination, contributed to effectively addressing the challenges resulting from the multiple-package system of this project.
- **Selection of the most appropriate technology has a positive impact on power plant operational efficiency:** The choice of the steam cycle technology for Al Suez power plant increased its operational efficiency, as a steam turbine possesses greater inertia and is, therefore, more stable with respect to network disturbances. Moreover, the low level of emissions during operation made this choice particularly environmentally friendly.



Benha Power Plant Project, Egypt

ENHANCING ENERGY SECURITY TO PROMOTE ECONOMIC GROWTH

1.

THE CHALLENGE

The Government of Egypt planned to ensure that 99% of the country's population has access to electricity by 2010 in order to spur Egypt's economic growth by meeting the energy needs of Agriculture, Industry, Tourism, and Services Sectors. The focus was on enhancing energy security through diversification of supply sources, improving energy and resource efficiency, and increasing energy-market competitiveness and sustainability.



Benha Power Plant Overview

2.

THE SOLUTION

- The solution was to establish the Benha Power Plant including installation of a 750-MW project to meet the spiraling demand for electricity in Benha by increasing the power-generation capacity and maintaining the reliability of the unified power system.
- The scope of the project consisted of procurement, selection, and commissioning of two 250-MW gas turbine generator units, one 250-MW steam turbine generator unit, and two heat recovery steam generators (HRSG).
- The total project budget at appraisal was estimated at US\$683 million, of which US\$120 million was to be covered by the IsDB through leasing.
- The location of the project is Benha, a city 60 km north of Cairo. The Bank approved the project in August 2010 and declared it effective in May 2011. The Egypt Electricity Holding Company (EEHC) was designated as the executing agency, and the project implementation period was planned to be four years with a target completion date of 31 Dec 2014.

3.

FINDINGS

- Overall, the project delivered its intended outputs, including two heat recovery steam generators (boilers), the steam turbine generator, gas turbine, cooling system, and control room.
- Selection of the plant's location was due to safety considerations with respect to distance from residential areas and proximity to a water source to ensure cooling availability.
- Benha plant contributed to decreasing workload(s) of and dependencies on other plants by shouldering some of the workload and electricity efforts of other, already-running plants. Thus, the utilization factor is currently about 62% based on the needs of the UPS, with an alternate work schedule to ensure proper utilization.
- Total cost at completion has considerably decreased from US\$683.60 million to US\$518.5 million, with an actual IsDB contribution of US\$79.9 million against US\$120 million planned. The cost difference was due primarily to the Egyptian currency devaluation (of 2.5 folds overnight), which resulted in reduction of the local cost equivalent.
- The project was delivered on 31st of March 2016, recording a delay of 10 months from the planned completion date.



A Day at the Plant Control Room

4.

KEY LESSONS LEARNED

- **The involvement of an experienced consultant contributes to timeliness of project completion and quality of outputs.** EEHC selected a qualified technical consultant, PGESCO, which supported EEHC in reaching the project milestones in engineering and procurement, preparing the Preliminary Design Report and contract packages, and issuing them for the bidding process.
- **Careful assessment of risks and identification of appropriate mitigation strategies are instrumental to ensuring project effectiveness:** During its inception phase, the Benha plant was designed to run on dual fuel (gas and heavy fuel oil, or "HFO"). At the project start, the power plant was operated using gas. Then, with disturbance of the gas pipeline during instability within the country, the plant was able to shift its operation to HFO thanks to its flexibility, thereby avoiding any operational interruptions.

Development of Ankara-Konya High Speed Railway Line Project, Turkey

PROVIDING SAFE, RELIABLE, MODERN AND ENVIRONMENT FRIENDLY HIGH-SPEED TRAINS

1.

THE CHALLENGE

Before construction of the Ankara–Konya High Speed Train (HST) line, the only railway connection, which was conventional, between these cities was 687 km in length. In addition, the Ankara–Konya line forms the backbone of the north-south axis of the HST railway network envisaged by the government of Turkey, which will extend to Antalya and Adana on the Mediterranean coast.



High Speed Train Sets

2.

THE SOLUTION

- At the request of the Government of Turkey, the IsDB appraised the project in January 2012 and agreed to co-finance the Development of Ankara-Konya High Speed Railway Line Project for EUR175 million (representing 76% of the total project cost of EUR230 million), while the remaining EUR55 million (representing 24% of the total project cost) was to be financed by the Government of Turkey.
- One aim of the project was to facilitate socio-economic development of the country by providing a safe, reliable, comfortable, time- and cost-effective, modern, and environmentally friendly high-speed railway facility. When completed, the project was expected to lower transportation costs, reduce accidents and fatalities, balance competing transport modes, and ensure easy access to a superior transport system for long distance travel.
- The project scope included: i. Acquisition of six high-speed train sets; ii. Spare parts for maintenance; iii. Technical support and supervision services; and iv. Project Management Unit (PMU) support.

3.

FINDINGS

- With regards to outputs, the project achieved more than expected compared to estimates at appraisal due to utilization of contingencies and increased government financing for additional components such as a simulator, including maintenance, and repair and cleaning services for seven years. Six high speed train sets and relevant spare parts were procured as planned at appraisal. The train sets have been adequately utilized, except for one, which has been out of service since December 2018 due to an accident.
- With the high-speed train railway system and sets, travel time was reduced to 1 hour 45 minutes compared to 3.5 hours of road travel time as there was no direct railway line previously. Traffic reached 2.1 million passengers annually in 2019 on the Ankara–Konya route. However, the number of passengers dropped to 570,000 during the period between January and November in 2020 due to COVID-19 pandemic.
- The project helped reduce bus transport by around 25% compared to 2016 figure, and, hence, the numbers of accidents and fatalities have most likely been reduced. Moreover, due to its cheap operation, increased use of high-speed trains is expected to contribute to decreased transportation costs along the corridor.
- The project experienced a cost overrun of EUR14.77 million (6.4 percent), which was covered primarily by the Government of Turkey, for the O&M contract for seven years. The project was completed in nearly five years and seven months, and experienced a 22-month delay, primarily due to changes in scope.

4.

KEY LESSONS LEARNED



Interior of the Simulator

- **Having a fully upgraded railway line with an adequate signaling system is crucial to minimizing the risk of accidents caused by human error in high speed train operations.** High-speed trains have the latest technology, which relies heavily on an automated signaling system. It is therefore risky to run these train sets on older lines, where a greater number of staff are involved in signaling, thereby making the operation more prone to human error. The line from Polatli to Konya was upgraded, except for the small portion between the Ankara station and Polatli; this section was not upgraded with the latest signalization system. An accident occurred on this segment, although the train's speed was low. This project could have had a component that included a scope to upgrade all lines so that the trains would operate with minimum risk of human error in their operation.



Support to the Polio Eradication Program, Phase II

MAKING PAKISTAN A POLIO FREE COUNTRY

1.

THE CHALLENGE

Since the Polio Eradication Program (PEP) was started in Pakistan in 1994, a dramatic decrease has been observed, from up to 25,000 annual cases in the early years of the program to as few as 28 cases in 2005. However, the number of polio cases was on the rise again after 2010. Pakistan reported 198, 58, and 93 cases in 2011, 2012, 2013, respectively. The Government of Pakistan declared Polio a National Health Emergency in 2011 and developed a National Emergency Action Plan (NEAP) aimed at polio eradication.



National Warehouse Vaccine Storage Facility

2.

THE SOLUTION

- This project was a continuation of Phase I, which was successfully implemented during 2013-2015. During September 2015, the government requested the IsDB to support Phase II of the PEP over the period 2016-2018.
- The objective of the project was to stop wild poliovirus transmission in Pakistan by May 2016 and then to maintain a “Polio Free” status for the next three years through countrywide mass polio vaccination campaigns targeting all children below five years of age, along with extensive community sensitization and mobilization, as well as high standard surveillance activities.
- The total estimated project cost was USD\$307 million. IsDB’s contribution was USD\$100 million, of which USD\$90 million was under instalment sale, and USD\$10 million was from ISFD. The government of Pakistan, Japan International Cooperation Agency, and the government of Canada were to cover the remaining balance of the project cost with USD\$127 million, USD50 million and USD30 million, respectively.

3.

FINDINGS

- The project made considerable progress in reducing wild poliovirus type 1 (WPV1) transmission and contributed to a steady reduction in the number of children paralyzed by polio in Pakistan from 306 in 2014 to 12 in 2018.
- Under this project, 10 National Immunization Days (NIDs) and 10 Sub-National Immunization Days (SNIDs) were conducted. Under each round of nation-wide campaigns, 38 million doses were administered, while in each round of sub-national campaigns 20 million doses were given to children below the age of five years, repetitively with two drops of polio vaccine to each child every time.
- The project was completed in December 2018 with a delay of six months. Overall project cost was USD307 million as planned at appraisal.

4.

KEY LESSONS LEARNED

- **Beneficiary ownership is crucial in building institutional capacity for implementation of disease eradication programs.** Beneficiary support for the Polio Eradication Program in Pakistan was strong, both at national and provincial levels. The common aim shared by the citizenry to make the country polio free helped ensure adequate structures and mechanisms were put in place throughout the country to achieve this.
- **Use of clear targets and indicators enables smooth implementation and supervision.** NEAP set detailed targets and indicators by objective, with specific ownership assigned for each stakeholder. This promoted greater transparency and accountability, allowing the progress of the program to be clearly understood and monitored at any point in time.



Consultation with Local Community at Karachi

Development of Medical Education & Research Centre and Two University Hospitals Project, Indonesia

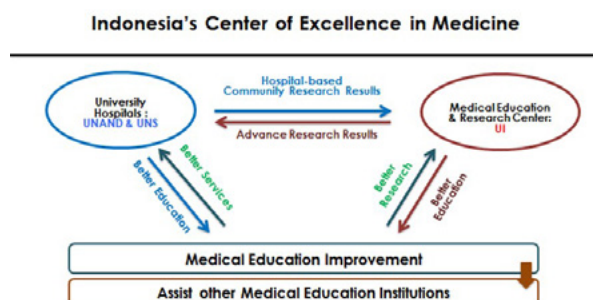
ATTAINING UNIVERSAL HEALTH CARE IN INDONESIA

1.

THE CHALLENGE

The Indonesian Health Sector was focused primarily on improving access to primary healthcare. Limited attention was given to the quality and availability of specialized healthcare in hospitals at both the provincial and national levels: Thus, the challenge for the country was to attain universal health care (UHC).

The Government of Indonesia initiated a 'belt of excellence' in medical education, research, and health service referrals, spreading out from Sumatera and reaching to Java, with support from Jakarta, by developing two university hospitals and a medical education and research institute. These three entities were expected to support the government in attaining UHC.



Indonesia's Center of Excellence in Medicine

2.

THE SOLUTION

- The project aimed at improving medical teaching, research, and service delivery to the population in the project areas through development of institutions that act as advanced medical referral institutions through use of collaboration in information exchange, research, case studies, and advanced training.
- The project scope entailed; (i) civil works; (ii) procurement of research, medical, and teaching equipment as well as information communication technology; (iii) consultancy services for detailed engineering designs and technical specifications of equipment; and (iv) project management and supervision as well as financial audit services.
- The total project budget at appraisal was estimated at USD 128.18 million of which USD 63.97 million was to be covered by IsDB through Istisna'a and Installment Sale.
- The Bank approved the project in October 2009 and declared it effective in August 2011. The Ministry of National Education acted as the project Executing Agency. The planned completion date was 31 December 2014.

3.



FINDINGS

- Overall, the project delivered all of its planned outputs and outcomes. The IMERI-UI, the UNS, and the UNAND hospitals were built according to the planned outputs and have seen positive growth in their operations since their start-up in late 2017.
- The project delivered 200 beds, more than the expected capacity of 150 beds, at both the UNS and UNAND hospitals, without incurring a cost increase. Since they began operating, both hospitals have experienced increased numbers of out-patients and in-patients, which their increased bed occupancy rates and revenue streams also reflect.
- At completion, the total project cost was USD49 million, 77% of the original cost estimated at appraisal. The cost underrun was due primarily to the fact that expenses were in the local currency, and the exchange rate was favorable.
- The project experienced a 30-month delay in completion due primarily to differences in procurement procedures between IsDB and the Saudi Fund for Development (SFD); communication issues between IsDB, SFD and the Government; heritage site prescriptions; and hydrological and geological problems that impeded the project's smooth implementation.



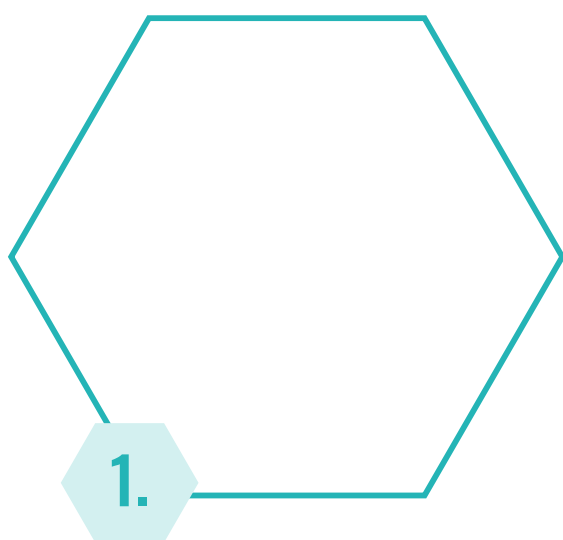
Cancer patients & family waiting for radio-therapy treatment in UNAND Hospital

4.

KEY LESSONS LEARNED

- **Coherence between PMU and PIUs, the university-formed technical teams, and the PMU/PIUs, separately, is a prerequisite for effective project management.** A collaborative forum among these different elements did not exist, and sharing of the monitoring results occurred on a primarily informal basis. PMU and PIUs should have developed a risk mitigation plan and an exit strategy early in the project.
- **Local ownership of the project by the government is a significant step toward achieving institutional and financial sustainability.** Under relevant local government regulations, the established institutions were able to receive regular funding from the local government for their services and operations.

TRANSFORMING THE SOCIO-ECONOMIC CONDITIONS OF RURAL POOR THROUGH ISLAMIC FINANCE



THE CHALLENGE

Although there has been a significant reduction in poverty over the last decades, the poverty rate at the inception of the project was still high in rural areas, especially in northern and eastern Uganda. In terms of gender, the poverty rate of females was higher than that of males.



Rural ecotourism - Buhoma Community Lodge



THE SOLUTION

- At the request of the Government of Uganda, IsDB participated in financing the Rural Income and Employment Enhancement Project.
- The project's overall goal was to contribute towards the socio-economic development and transformation of Uganda's rural population. Its objective was to facilitate access to and utilization of affordable, sustainable, and convenient financial and business development services for poor rural Ugandans.
- The project aimed at: (i) providing loans to 1,000 intermediary entities (SACCOs, MFIs and SMEs); (ii) reaching 318,000 end-clients (i.e., end-beneficiaries) located in rural areas; (iii) serving vulnerable groups (women, youth, and the disabled), who would constitute at least 60% of the project's end-beneficiaries; (iv) strengthening the capacity of 1,000 Executing Agency (EA) clients; (v) building the capacity of the 1,110-person staff of EA and clients in business development skills; and (vi) creating 954,000 jobs.
- The total cost of the project was estimated at USD 27.66 million, of which the planned IsDB contribution was USD10 million, representing 36% of the project total cost. The remaining USD 17.66 million was to be financed by the AfDB (USD 15 million) and the Government of Uganda (USD\$2.66 million).

3.

FINDINGS

- The project financed the operations/projects through 101 client institutions, including SACCOS, SMEs, and Microfinance institutions. The IsDB disbursed a total of USD 9,035 million to finance approved clients' projects. These benefited 689,106 rural individuals (out of which 49% were female) and created employment opportunities for 1,182,782 individuals throughout the country.
- The project also facilitated the amendment of the Financial Institutions Act of 2004 to allow use of Islamic Finance in January 2016. In addition, the project implemented several capacity-building activities, including training of MSC staff and clients as well as a study tour for the EA staff to Bangladesh and Sudan to profile and identify potential Islamic microfinance projects/clients.

4.

KEY LESSONS LEARNED

- **The combination of Islamic finance and conventional microfinance windows creates confusion and poses serious risks to the development of the Islamic finance sector in Uganda:** Some of the implementing partners' branches (MFIs/SACCO/SMEs) are also currently implementing conventional microfinance schemes. This could pose serious reputational and credibility risks for the project.
- **High profit and markup margins can hinder the promotion of Islamic Finance among beneficiaries:** Some of the beneficiaries of the project complained about the high profit and mark-up margins on Islamic finance by the implementing partners. These aspects of it made Islamic finance less attractive compared to conventional finance.
- **Lack of adequate capacity and lack of familiarity with Islamic finance by implementing partners may slow its spread as a financial inclusion conduit for the poor and vulnerable:** Being the pioneer in introducing Islamic financing in Uganda, MSC has faced numerous challenges in selection of clients/partners and projects, compliance with Shari'ah rules and procedures, interpretation of guidelines and their translation into business products, and challenges related to reporting systems, among others.



Besmark Coffee Company

OCP Jorf Lasfar Port Expansion Project, Kingdom of Morocco

INFRASTRUCTURE FOR MARKET COMPETITIVENESS

1.

THE CHALLENGE

The OCP Group initiated a huge infrastructure development program to increase its competitiveness in the market through expanded mining capacity, reduced costs, and a high-value addition by attracting foreign direct investment. The enhanced production capacity would result in increased transport activities over the expected time horizon 2012-2020. The Jorf Lasfar port expansion project, whose goal was upgrading the industrial port, was enrolled as part of this large investment program led by OCP Group to increase transport activity.



The Jorf Lasfar Port, Aerial View

2.

THE SOLUTION

- The scope of the project included rehabilitation and extension of six quays; installation of eight new loading frames and the necessary infrastructure for loading Phosphoric acid, Diammonium Phosphate (DAP) and Monoammonium Phosphate (MAP) and unloading of Ammonia.
- Project cost estimated during appraisal was USD250 million, of which, USD 150 million was to be provided by IsDB to cover infrastructure works and USD100 million was to be provided by OCP.
- The project was planned to be completed within 38 months from the signature date in February 2013.

3.

FINDINGS

- The project significantly contributed to increasing the export capacity of OCP and allowed it to sustain the augmented transport activities that followed the 2012-2020 production increase.
- Export capacity of the OCP increased from 10.1 million tons in 2015 (before the project) to about 18 million tons in 2018.
- Import of sulfur products reached 5 million tons in 2019, up from 3.13 million tons in 2015.
- The number of ships charging/discharging from the port increased from 571 to 686 vessels.
- The project also allowed transfer of phosphate for export from the congested Casablanca Port.
- The project was completed in November 2017, with 30 months of implementation delay, mainly due to the simultaneous execution of the project and port operations.
- The project cost at completion was USD250 million, and the IsDB disbursed US\$150 million, as planned.



A Rehabilitated Quay, Jorf Lasfar Port

4.

KEY LESSONS LEARNED

- **Lack of respect for program financing agreement terms can lead to disagreement between the parties concerned and result in the early closure of the project:** According to the program financing agreement, training activities were planned to be implemented through local non-governmental organizations (NGOs). However, during program implementation, the government requested cancellation of the procurement process for NGOs that had already been launched by the Project Management Unit, resulting in the project's premature closure.
- **Closing a project early without informing all the parties concerned leads to frustration of beneficiaries and may create a loss of trust in the Government's decisions:** When there was disagreement between the Government and the Bank about the project implementation approach, the Government finally requested early closure of the project without officially informing the project's stakeholders.

ESCAPING POVERTY THROUGH LITERACY AND TRAINING

1.

THE CHALLENGE

Mauritania has been facing several challenges in its path to development including high rate of poverty, low literacy, unskilled labor and inadequate access to financing, among others. These challenges are particularly acute among the youth and the women, especially in the rural areas. Addressing them is the pathway to the country's development.



A classroom built by the project



Uncompleted and abandoned classroom built by the project

2.

THE SOLUTION

- The ISFD Vocational Literacy Program for Poverty Reduction for Mauritania aimed at providing; (i) support to 8,000, 9-15-year-old out of school children with non-formal basic education; (ii) vocational training for employment to 3,000 young adults; (iii) vocational literacy for 10,000 poor rural women; (iv) access to microfinance for the youth and women who received vocational training; and (v) elaboration of apprenticeship framework and curricula. The project scope also included construction of 120 classrooms and latrines.
- Project cost was estimated at USD 16.02 million with an IsDB contribution of USD 11.4 million.
- The program was planned to be implemented over 60 months and to cover two regions.



3.

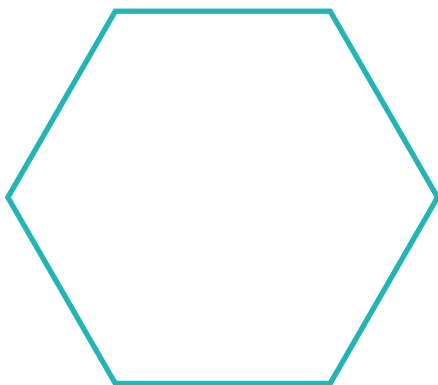
FINDINGS

- 65 classrooms and latrines out of the 120 planned have been Constructed and equipped, while 11 classrooms are left uncompleted and abandoned.
- Manuals for vocational training and functional literacy have been developed. An apprenticeship framework with the baseline study was also prepared.
- A disagreement emerged between the Bank and the Government concerning the implementation approach to the project training activities, which led to early closure of the project, 13 months ahead of the schedule.
- Classrooms constructed are used by the primary and secondary education sub-sectors.
- Three project components (Support to non-formal basic education, vocational training and Literacy, microfinance) have not been implemented.
- Actual cost was USD4.77 million representing almost 30 percent of the appraisal cost. And IsDB contribution amounted to USD2.44 million.

4.

KEY LESSONS LEARNED

- ***The lack of respect for the program financing agreement terms can lead to disagreement between the parties concerned resulting in the early closure of the project:*** According to the program financing agreement, training activities were planned to be implemented through the local NGO's. But during the program implementation, the Government requested the cancellation of the procurement process for the Non-Governmental Organization (NGO) already launched by the Project Management Unit resulting in the project premature closure.
- ***Closing a project early without informing all the parties concerned leads to the frustration of the beneficiaries and may create a loss of trust in the Government's decisions:*** When there was disagreement between the Government and the Bank about the project implementation approach, the Government finally requested an early closure of the project without officially informing the project stakeholders.



ANNEX II

OED 3-YEAR ROLLING PROGRAM



OED 3-YEAR ROLLING PROGRAM

Evaluation Product		2021G			2022G			2023G		
		KPI	M*	C**	KPI	M*	C**	KPI	M*	C**
Project Level	Standard Project Post Evaluations (PPER)	10	4	6	10	4	6	10	10	4
	On-demand Evaluation Reports (SER)	1	1	1	1	1	1	1	1	1
	Joint Evaluations	1	1	1	1	1	1	1	1	1
	Real Time Evaluation (RTE)	2	2	0	0	0	0	0	0	0
	All Project Evaluation Products	14	8	8	12	6	8	12	12	6
	PCR – Validation Notes	30	0	0	30	0	0	30	0	0
	Synthesis Review of PCR – VN Findings	1	0	0	1	0	0	1	0	0
	All Project and Special Evaluation Products	59	8	8	43	6	8	43	12	6
Macro Level	MCPS Completion Review Validation	2	-	-	2	0	0	2	0	0
	Country Assistance Evaluation	1	2	1	1	2	1	1	2	1
	Corporate Evaluation	1	3	1	1	3	1	1	3	1
	Thematic Evaluation	1	2	1	1	3	1	1	2	1
	Program Evaluation	1	3	3	1	3	1	1	2	1
	Cluster Evaluation	1	3	1	1	2	1	1	2	1
	All Macro-Level Products	7	13	7	7	13	5	7	11	5
Learning Activities	IPDET (number of Staff)	2	0	0	2	0	0	2	0	0
	Retreat (number)	2	0	0	1	0	0	1	0	0
	Learning Events Organized by Peer Institutions and Evaluation Networks	2	0	0	2	0	0	2	0	0
	Workshops and Training for IsDB staff	2	0	0	2	0	0	2	0	0
	Total Learning Activities	8	0	0	7	0	0	7	0	0

* M = Number of Missions

** C = Number of Consultancies

Evaluation Product		2021G			2022G			2023G		
		KPI	M*	C**	KPI	M*	C**	KPI	M*	C**
Outreach Activities	Newsletters	4	0	0	4	0	0	4	0	0
	Knowledge Material for Project Evaluations (K-Series, Articles, Success Stories)	10	0	0	10	0	0	10	0	0
	Knowledge Material for Macro-Level Evaluations (EDNs, Articles, Success Stories)	4	0	0	5	0	0	5	0	0
	Synthesis Products	2	0	0	2	0	0	2	0	0
	Internal Evaluation Engagement Events (EEE)	1	0	0	1	0	0	1	0	0
	Synthesis of Learnings and Recommendations from Evaluations and Validations	1	0	0	1	0	0	1	0	0
	Insight Papers	2	-	-	2	0	0	3	0	0
	External Evaluation Engagement Events (EEE)	5	0	0	4	0	0	4	0	0
	Annual Evaluation Report	1	0	1	1	0	1	1	0	1
	Attendance of ECG Meetings	2	0	0	2	0	0	2	0	0
	IsDB Evaluation Symposium	1	0	0	1	0	0	1	0	0
	Evaluation Capacity Development (ECD)	2	2	0	3	3	0	3	3	0
	Total Outreach/Dissemination Activities	35	2	1	36	3	1	37	3	1
Enabling Activities	Methods and Tools (Guidelines & Templates)	3	0	0	2	0	0	2	0	0
	Platforms and Systems (Website, STEER, Consultant database, etc.)	2	0	0	2	0	0	2	0	0
	Development of OED Rolling Work Program	1	0	0	1	0	0	1	0	0
	Contribution to IsDB Reports (ADER, Annual Report)	2	0	0	2	0	0	2	0	0
	All Enabling Activities	8	0	0	7	0	0	7	0	0
Grand Total All Evaluation Activities		103	23	15	99	22	14	101	26	12

* M = Number of Missions

** C = Number of Consultancies

ANNEX III

EIGHT LESSONS FOR A SUCCESSFUL DELIVERY OF ISDB'S COVID-19 RESPONSE



8 LESSONS FOR THE SUCCESSFUL DELIVERY OF ISDB'S COVID-19 RESPONSE

Since the outbreak of COVID-19 and its subsequent characterization as a global pandemic by the World Health Organization (WHO), the Islamic Development Bank (IsDB) Group has been helping its Member Country (MC) governments undertake clear and decisive measures to mitigate the pandemic's human and economic impacts. The Bank has developed and launched a special 'Strategic Preparedness and Response Program' for sovereign projects and programs and trade finance and insurance coverage under its "3 Rs" framework (Respond, Restore, and Restart). As the IsDB ramps up its COVID-19 response to support Member Countries, the special evaluation of the Bank's emergency response to the Ebola crisis in West Africa presents a good learning opportunity. Here are eight lessons we can apply.

1.

For us to act rapidly, emergency response requires that guidelines and processes be put into place prior to the emergency. Responding to a crisis calls for the adoption of rapid-response policy frameworks and operational procedures that allow for greater flexibility and delegation of authority to regional hubs and project managers. This ensures prompt action and efficient use of financial resources during emergencies. While facilitating rapid response, operational policies also need to ensure accountability and transparency.

2.

Donor coordination and alignment with Member Country needs is crucial during emergencies. Better utilization of resources during emergencies requires a harmonized approach from donors to create synergies and avoid duplication. Donors must also ensure that interventions are aligned with the recipient country's specific needs and must avoid approaches that have been unsuccessful in the past. To achieve this, increased dialogue among donors and the beneficiary country is needed, right from the start.



3.

Use of the Bank's reputation and convening power to mobilize additional resources from philanthropic organizations. As a trusted partner of MCs, the IsDB played a catalytic role in the successful mobilization of resources from donors and philanthropic organizations during the Ebola crisis in West Africa. Given the magnitude of the COVID-19 outbreak and the number of MCs impacted, a more concerted effort will be needed to obtain the resources needed for the emergency response.

4.

Partner with other international and regional organizations to improve effectiveness and expedite project implementation. During the Ebola crisis, the Bank leveraged its partnership with UNICEF, UNOPS, and WHO to speed up delivery of its interventions. This was demonstrated in Guinea and Liberia, where these UN agencies played a critical role in constructing and equipping health facilities/treatment centers and procuring medical supplies.



5.

Facilitate cross-border cooperation for effective public health emergency management. Stopping infectious diseases warrants the establishment of transnational coordination mechanisms. The four West African countries affected by Ebola required a coordinated set of actions, such as, for instance, the establishment of border checkpoints, which contributed to ending the spread of the disease. Furthermore, the dialogue facilitated by the IsDB at the launch of the program involving public health emergency officials of the four countries was also critical to ensuring the coordinated response that occurred.

6.

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7.

Complement short-term emergency response with mid-term interventions to strengthen MC health systems for sustained results. The Ebola program adopted a dual approach—providing immediate emergency care while building resilience in health systems to drive post-pandemic recovery. For instance, thermometers and thermal cameras were supplied for an immediate response. At the same time, the Bank provided much needed capital investments in healthcare infrastructure and medical equipment and professional training for healthcare professionals.

8.

Encourage sustained investment in capacity-building to break the pandemic trap. Building and expanding the capacity of MCs with respect to data collection and early detection, laboratory diagnostics, prompt implementation of control measures, and vaccine development are crucial for addressing future epidemics.



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