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| Three important lessons were identified in the PCR (program completion report) and this validation acknowledges them as important. In particular, taking a sector-wide approach to sector development with implementation support that is closely linked to and complements policy reform is important. It is clearly essential to ensure that there is close alignment of the content of the RRP (report and recommendation of the President) and the explicit outcomes and outputs in the DMF (design and monitoring framework). This validation notes that there were a number of inconsistencies in the RRP.  project cycle stage: Concept, Implementation    There was clearly strong coordination and strategic dialogue among all stakeholders in this program. This appears to have been a strong feature of the BESDP (Basic Education Sector Development Program) implementation effort with the executing agency, consultants, and ADB freely interacting and discussing issues that allowed some recovery from initial delays.  project cycle stage: Implementation    There was value gained by engaging MOES (Ministry of Education and Sports) units as implementing partners to help build institutional capacity and ensure sustainability at post-project. This is often discussed in the design of development aid programs but is rarely evident in the final implementation. In this program, the careful identification of responsibilities and division of labor, clear unit and individual accountability, and sustained monitoring were critical to its success.  project cycle stage: Design, Implementation, Operation    It is essential that the DMF (design and monitoring framework) in the RRP (report and recommendation of the President) accurately presents the outcomes, outputs, and indicators that will be used to evaluate the performance of the program. Monitoring systems should be specified in the RRP and established at implementation and that responsible staff are identified at central and local levels for monitoring key activities.  project cycle stage: Concept, Implementation, Operation |
| The project completion report (PCR) identified a few important lessons from the experience with contractors. The criteria for the qualification of contractors under a joint venture and for the award of multiple contracts should be strengthened. The PCR did not elaborate how this can be accomplished. This needs to be further assessed to formulate concrete steps to ensure that prequalified contractors are indeed capable as claimed and have the technical and financial resources to complete the proposed project. While performance bond requirements seek to guarantee contractor performance, this seemed ineffective under this project. There is also a need to strengthen provisions related to contractors' performance, such as mobilization, staffing, deployment of equipment and funds, release of payments, bonus for early completion, and penalties so that poor contractor performance could be discouraged. Likewise, the performance of the contractor should be assessed at the initial stages of the contract and the decision on termination, if warranted, should not be delayed. This validation finds these lessons appropriate and has no further lesson to offer. |
| The lessons presented in the PCR (program completion report) and summarized in this validation are suitable. First, implementation of institutional reforms is more effective and efficient when there is a detailed blueprint with measurable indicators, and implementation arrangements are in place. Second, to attract investments, Kyrgyz Republic firms should also strengthen their productive capabilities and improve their competitiveness. Third, the significant changes in the methodology of the 2015 Doing Business report have negatively affected the Kyrgyz Republic's overall position in the ranking, making it difficult to measure achievements against the program's initial target. However, this validation notes that the Global Competitiveness Report can provide a good alternative source of information on the country's overall competitiveness. And last, the PCR indicated that the report's usefulness lies more in monitoring the country's performance over time rather than measuring progress against other economies. This validation adds the lesson that extensive dialogue is needed, particularly for reforms that meet resistance, to facilitate better cooperation and implementation.  project cycle stage: Concept, Design, Implementation, Operation |
| The PCR (project completion report) identified three lessons. The first lesson was the need for realistic cost estimates. To avoid loan cancellations, effective due diligence should be undertaken through detailed engineering studies, examination of market rates of construction materials and consultant remuneration, and inclusion of careful calculations of physical and price contingencies in the project cost estimate. The second was the need for clearly identifying the role of the project management consultant. The original terms of reference did not properly define the tasks and deliverables of each expert and considerable time for refinements was needed. The third was the need to improve the executing agency's project management capacity. Inadequate knowledge and expertise of MOTC (Ministry of Transport and Communications) and the Committee for Roads on safeguards and procurement affected smooth project implementation. This validation supports these lessons. In addition, the validation notes traffic forecasts should be much more realistic, and reflect impacts of follow on projects on expected usage. Similarly, more effort should be taken to establish sustainable asset management systems, supported by credible sources of funding.  project cycle stage: Design, Feasibility, Appraisal, Implementation |
| The PCR (project completion report) identified a few important lessons from the project. Reengineering of business processes should be aligned with international standards to maximize harmonization of customs procedures across borders and to facilitate international trade. The setting up of task forces comprising experienced staff from the executing and implementing agencies and from other pertinent agencies proved effective in reengineering the business processes. Proactive engagement with the private sector, particularly with the trading community, helps ensure buy-in of the reengineered business processes and user-friendliness of the system. This validation holds similar views with these lessons and has no other lesson to offer.  project cycle stage: Implementation, Operation |
| The PCR (project completion report) identified a number of lessons derived from the implementation of the project. While all of these are appropriate, this validation highlights mainly two of these as they have wide applicability across developing countries and within ADB. The first lesson deals with the reinforced conviction that WUA (water users association) and/or WUAF (water users associations' federation)-guided participatory irrigation management can be successfully implemented at the district level and in the lower levels in developing countries. The participation of farmers in these schemes improved project implementation as compared to the situation when there was exclusive reliance on administrators and contractors. The second lesson relates to the need to avoid overwrought arrangement for project disbursements. In this project, prorated financing arrangements from three different fund sources across each category of expenditure constrained the flow of funds. The size of imprest accounts should also be large enough to provide adequate cash flow for the executing agencies to operate while disbursement applications are being processed. This is particularly applicable for sector projects.  project cycle stage: Design, Implementation |
| The PCR (project completion report) identified a few important lessons from the project. A more effective, high-level coordinating body needs to be established for a complex project of this nature, which comprised various groups of outputs. This could help regularly monitor a project's implementation progress. Planning and coordinating preliminary activities must be done well to minimize delays, including the use of advance actions. Sufficient consultation during project preparation should be undertaken in light of the CHC's (Customs House of Chittagong) decision during implementation not to use ADB funds for their automation program.  project cycle stage: Implementation    This validation offers a few lessons. During project implementation, constant follow-up is needed on the operationalization of the PPMS (project performance management system) and the conduct of baseline and other survey/data collection requirements that could be used in the PCR's (project completion report's) preparation. Likewise, the membership in the project coordination committee could have included a representative of the CCC (Chittagong City Corporation). While not directly implementing any component, the CCC could have expedited the implementation of activities within the Chittagong city proper and helped avoid delays.  project cycle stage: Implementation |
| The PCR (project completion report) identified three lessons: (i) early preparation and readiness, and achievement of key milestones contribute to timely project completion; (ii) the importance of an appropriate traffic survey; and (iii) the importance of early completion of the resettlement plan. This validation agrees that a sound traffic survey is the heart of a preparatory study for road projects. An understanding of the assumptions used in the forecast and the methodology employed would have made this lesson more meaningful. This validation also notes that poverty incidence declined in the project areas as more jobs were created for local residents, including the ethnic minority groups.  project cycle stage: Design, Feasibility, Implementation, Completion |
| The lessons identified by the PCR (program completion report) are suitable. The implementation of the program highlighted the appropriateness of the cluster program modality for sustaining reform momentum. Greater effort is needed in assessing the political and economic context to determine the chances of success of reform efforts. The program design was complex with 25 policy conditions for subprogram 1 and 38 policy conditions for subprogram 2, involving a large number of implementing agencies and reform areas. There are benefits in keeping program simple by limiting the number of reform actions, agencies involved, and the number of subprograms under a cluster. This validation shares the view of the PCR that the decision to cancel the processing of subprogram 3 could have been accompanied with efforts to identify reform areas that were making progress and to support these with TA (technical assistance) or with resources on existing or new projects.  project cycle stage: Concept, Design, Implementation |
| The PCR (project completion report) identified a few important lessons. One lesson was the need for frequent reviews and close supervision and monitoring of procurement processes. Another lesson pointed out that counterpart funding allocation into project accounts should be made a condition of ADB disbursement. The next lesson cited the need to ensure that subproject preparation should, at least, reach 90% completion at the time of project preparatory technical assistance and 100% before loan effectiveness. The last suggested a rigorous assessment of the executing agency's capacity to undertake technical, financial, economic, safeguards, and governance evaluation of subprojects, which should be done during project formulation. This validation finds these lessons appropriate and has no additional lesson to offer.  project cycle stage: Design, Implementation |
| The PCR (project completion report) gave several lessons upon project completion. This validation agrees with these lessons: (i) institutional arrangementsï¿½PMO's (project management office's) strong leadership and awareness of its critical role in the coordination process, experience with ADB procedures, and good communication skills are desirable; (ii) consultant recruitment and procurementï¿½early recruitment of consultants and national competitive bidding can reduce project delays; and (iii) resettlementï¿½the PCR noted that allocating commercial land to affected persons is a good practice for maintaining long-term income sources for affected persons; and can be replicated in other ADB projects.  project cycle stage: Implementation, Completion |
| ADB in-house expertise supported by a dedicated ADB team gave the leverage and made it possible to conduct dialogue with the technical and regional agencies to strengthen regional collaboration within and across the animal health and human health sectors. It provided the advantages of using a multisector approach in addressing the problems caused by emerging and reemerging infectious diseases in lieu of national and regional economic development benefits.  project cycle stage: Implementation    The PSC (project steering committee) provided prompt policy guidance and expedited decisions and actions. The needs of the countries were ascertained and their access to project resources was adequate.  project cycle stage: Implementation    The project's One Health concept emphasized the links between animal health and human health, and emerging animal and human diseases, which allowed a platform for unprecedented integration of animal, human, and ecosystem health issues to fight the threat of avian influenza. The systematic collaboration of technical agencies across disciplines, such as the FAO or Food and Agriculture Organization (veterinarians) and WHO or World Health Organization (medical doctors) and civil society organizations (community health workers), promoted this concept since the beginning of the project. ADB's financial and convening power and its high flexibility and responsiveness under the project helped build links and strengthen collaboration between WHO, the FAO, and the World Organization for Animal Health.  project cycle stage: Implementation    The urgent nature of the project due to the threat that avian influenza may become a pandemic, hampered the attempt in defining verifiable indicators for some outputs under the regional capacity building and regional coordination components. A project midterm review would have helped to review and update the DMF (design and monitoring framework).  project cycle stage: Design    This type of project faces the challenge of the early spread of the disease outpacing the gathering of scientific evidence essential in formulating containment policies. In the early days of the severe acute respiratory syndrome, the avian influenza, and the H1N1 pandemic, uncertainty stalled decision making, including the decisions on the timing of changing policy from containment to mitigation.  project cycle stage: Implementation    This validation adds another lesson related to the relevance of design and formulation. Assessment of relevance includes both the relevance of objectives and the relevance of design. The adequacy and appropriateness of project design have to be tailored to the project's ultimate objectives and complexities. The PCR (project completion report) provided weak justification of the relevance of the extension and the insufficiency of indicators.  project cycle stage: Design |
| The PCR (project completion report) listed a few important lessons drawn from the project, such as the need for sufficient consultations with stakeholders to promote ownership and responsibility. Likewise, there is a need for continuous process of adaptation to the latest construction and operation technology and more environmentally friendly solutions. The PCR also indicated the need to have careful estimation of the costs of construction materials and more realistic traffic forecast.  project cycle stage: Feasibility, Implementation    This validation offers three additional lessons. First, before implementing any additional works or contract variation, there should already be agreement on the works to be done and the commensurate costs. While this is an accepted project management practice, it may not have been the case in this project, which resulted in significant delays in loan closing due to the negotiations on pricing for additional works or variations. Second, while work on the land acquisition and resettlement seemed to have progressed well, the executing agency - the WYRC (West Yunnan Railway Company) - should have been provided more assistance in its implementation given its inexperience with both PRC (People's Republic of China) and ADB practices. As such, ADB assistance, through more frequent missions during the implementation period, could have provided the guidance needed for land acquisition and resettlement. A third lesson was the need to constantly follow-up with the executing agency on the implementation of the PPMS (project performance and monitoring system). It is surprising to note that this loan condition was not readily achieved, although its compliance was considered as ongoing.  project cycle stage: Implementation |
| The PCR (program completion report) section on lessons provided useful lessons on the inherent challenges for the Pacific member countries to undertake long-term structural adjustments, such as SOE (state-owned enterprise) reforms, and changes to land tenure and trade regime. This is mainly from a political economy perspective. Any long-term structural adjustments would need sustained negotiations with the government and the support of all the major development partners. This validation concurs with this finding.  project cycle stage: Implementation    This validation adds that targets and indicators in the DMF (design and monitoring framework) of program loans such as this need to be extremely conscious of exogenous factors. There is also a need for ADB program to assign focus areas for policy coordination and monitoring among ADB and other development partners so that respective contributions to policy dialogue under the different program components can be traced.  project cycle stage: Design, Implementation |
| The project completion report (PCR) gave several lessons upon project completion. This validation agrees with these lessons: (i) institutional arrangements - project management office's (PMO) strong leadership and awareness of its critical role in the coordination process, experience with ADB procedures, and good communication skills are desirable; (ii) consultant recruitment and procurement - early recruitment of consultants and national competitive bidding can reduce project delays; and (iii) resettlement - the PCR noted that allocating commercial land to affected persons is a good practice for maintaining long-term income sources for affected persons; and can be replicated in other ADB projects. |
| This validation subscribes to the major lessons the PCR (project completion report) drew out for ADB operations. The PCR noted that the project's amended purpose and objectives, as well as the corresponding outputs needed to meet them, were clearly stated. At the same time, the PCR noted that many operational and management lapses could have been immediately and effectively averted if the executing agencies had a better appreciation of the processes, procedures, and requirements of the project and helped ensure government's commitment to project objectives. Baseline data and monitoring reports were not complied with. Required contractual agreements were only halfheartedly pursued. Clearly, the implementing institutions' earlier and closer guidance on the processes and procedures for procuring goods and services, and the timely selection of private partners could have avoided implementation slippage. Due diligence on the capacity and commitment of government partner institutions, like the MOA (Ministry of Agriculture), to implement components assigned to them should have been undertaken at appraisal to determine the risks and sustainability of involving them.  project cycle stage: Implementation |
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| This validation agrees with the lessons learned as indicated in the project completion repoert (PCR), in particular, the performance-based sector lending approach and the successful mainstreaming of gender issues. More rigorous assessment of the fund raising and management of the pourashavas and the operation and maintenance (O&M) management capacity at the central and local levels of government need to be factored into future project design. The design and monitoring framework (DMF) was not well prepared and this inhibited results monitoring, although project progress monitoring at output levels was adequate. |
| A number of important program- and project-related lessons were listed in the project completion report (PCR), and this validation supports them. In particular, civil works education projects must have strong and informed supervisory and monitoring systems in place, staffed by trained and competent personnel to enforce quality standards. If community supervision is used, then there must be orientation and training for these members. There were no clear penalty clauses in the construction contracts and so sanctions for poor-quality work could not be imposed. Consultancy inputs, which were not mobilized concurrently as a team, created difficulties in providing cohesive support. One lesson that can be drawn here may be the need for greater support from consultants for similar projects in the future.  A clear gender and ethnic minority action plan (GEMAP) must be provided at inception, along with robust reporting systems and designated focal persons (international and local), for dealing with gender and ethnic minorities issues. In an annex, the PCR should have given a detailed report on this against the GEMAP targets, and gender-disaggregated data to appear in all project reports, including quarterly and annual progress reports.  To ensure sustainability, it is also important that policy initiatives are supported by ongoing policy and institutional reforms. |
| This validation agrees with the following project completion report (PCR) lessons: (i) the government must first demonstrate its commitment and ownership by creating an enabling environment for delivering sustainable outputs before engaging in poorly performing sectors; (ii) at appraisal, the root causes and identification of innovative solutions of past project implementation issues should be thoroughly reviewed; (iii) due diligence should not be sacrificed for the urgency of additional financing; the government must ensure that sufficient resources cover the scope of the project; (iv) resources should be allocated for additional support to strengthen areas where implementation is weak. |
| The project completion report (PCR) listed three lessons: (i) choosing a sustainable implementation arrangement, (ii) using a competitive funding mechanism to select schools that would benefit from the assistance, and (iii) including a change management process. On a sustainable implementation arrangement, the PCR stresses the need for continuity, thus, the need to embed organic staff within the existing administrative structure. This automatically mainstreams project activities and enhances sustainability. This validation adds that this will provide valuable hands-on experience and coaching from the consultants for a smooth transition. On the mechanism for selecting schools for assistance, the PCR suggests the inclusion of a competitive funding mechanism approach with guidelines specifying the priority programs to be supported, eligible expenditure items, the maximum allowable amount per program, and the geographic coverage to ensure equitable representation. This forces the institutions to compete based on these proposals and engender a sense of ownership and commitment to deliver promised results. On projects where new approaches or practices are introduced, the PCR suggested to first establish a change management strategy to anticipate and address possible areas of resistance. |
| The project completion report (PCR) identified four lessons. The primary lesson was the benefit of advanced design and readiness of tender documents for civil works. This allowed for early contracting and mobilizing of civil works, ensuring achievement of loan completion dates. The PCR also highlighted the difficulty of accurately assessing the full economic impact and poverty reduction benefits of the project because of delays in conducting baseline benefit monitoring. The lesson was the need to ensure the immediate commencement of baseline data measurement before starting civil works and the need to include benefit monitoring and evaluation capacity building and training with executing agencies at both national and provincial levels.  Project implementation delays in civil works indicated the need to identify and replace nonperforming contractors at an early stage and to scrutinize more carefully the financial, management, and equipment capacity of bidders during bid evaluation. The PCR also suggested that rural road projects should integrate with complementary agricultural development programs such as the Sanxai coffee estate developments under the International Fund for Agricultural Development project. However, this issue was not discussed in the PCR. This validation supports these lessons and has no additional lesson to offer. |
| The project completion report (PCR) identified two lessons. The first pertained to starting procurement at the project design stage, and the second was about the need to avoid limiting improvements in access to poor remote areas to the project area, but also extending them to broader areas. This validation finds these lessons appropriate and has no other lesson to offer. |
| This validation concurs with lessons outlined in the project completion report (PCR) on subproject selection, the need for partnership with the private sector, and avoidance of complex and large number of subprojects. On subproject selection, the PCR highlighted that the systematic subproject selection process indeed worked and led to funding of better ventures. (Subproject selection process introduced by the project involved the following: (i) the Fujian project management office [PMO] trained implementing agencies in subproject selection and the latter disseminated subproject opportunities and requirements to the public; (ii) implementing agencies called for proposals from enterprises; (iii) county PMOs and financial bureaus screened candidate subprojects (based mainly upon financial viability and sustainability for enterprise subprojects, and local development plans and priorities for infrastructure subprojects); (iv) prefecture PMOs and financial bureaus recommended candidate subprojects (considering borrowing capacity, priority industry and area of prefecture); and (v) the Fujian PMO and the Fujian Finance Department [FFD] assessed the proposed subprojects and selected the most feasible ones on behalf of the FPG. The selected subprojects met public needs, Fujian Provincial Government [FPG] priorities, and ADB requirements.)  On partnership with the private sector, the project experience confirmed that private enterprise involvement was important in branding and marketing of farm products, in introducing quality standards and technology, in improving farm infrastructure, and in providing extension services. On the design of project components, one should be realistic in the number of components covered, as reducing it to a manageable size would have facilitated project management. This validation is of the view that the latter is the main lesson from this project. The eight components - spanning agriculture improvement, natural resource conservation, hydropower, and credit - were not conducive for (i) a high quality project design, (ii) relatively short ADB processing missions, and (iii) effective implementation by one PMO. These resulted in various technical problems under the project.  The PCR reported significant revisions of performance indicators and targets during project implementation. During the midterm review, project impact and output baseline figures were changed (in addition to reduction in targets). The inadequate baseline information should be treated with caution as this would lead to inaccurate work planning. |
| The project completion report (PCR) provided four lessons. First, it noted that a strong government ownership was critical to the successful implementation of the project. It also noted the importance of management handbooks on procurement, financial management, and energy savings measurement and verification that ensured the smooth and sustainable project implementation. Second, effectiveness of the financial intermediary loan modality was supported by independent evaluations of the financial viability of candidate subborrowers and the project's revolving funding mechanism. Third, actual energy savings achieved were higher than anticipated at appraisal. More accurate methods of estimating energy saving should have been used by (i) establishing an accurate baseline, (ii) designing a customized measurement and verification method to verify energy savings from the outset, and (iii) using the same methodology for pre- and post-project energy saving calculations. Fourth, third-party measurement and verification agencies ensured accurate assessment of energy savings and emissions reduction for the subprojects. This validation agrees with these and has no additional lessons to offer. |
| The government's decision to double track sections of the project revised the original design. This could have been decided before appraisal since it was apparent that single tracking was not compatible to linking two double-tracked railway lines. |
| The project completion report (PCR) reinforced generally known lessons on program lending. The experience of the Local Government Financing and Budget Reform (LGFBR) program highlighted the critical importance of an accurate and careful assessment of government ownership of reform initiatives. This was especially valid for a complex program, such as the LGFBR program, which involved multiple national agencies and layers of governments. Demand-driven facilitation of reforms was cited as the main reason for the LGFBR program's timely and successful implementation, which was a substantial achievement. The LGFBR program experience also showed that the flexibility afforded the cluster modality - in dialogue, pacing of reforms, and borrowing - was well suited and liked by the borrower, although the cluster flexibility was not required at the end in designing subprogram 2. This program can serve as a good practice example of how to address public sector reform, in substance as well as in incorporating the political economy environment (i.e., the pace of the reforms). Selective capacity-building technical assistance (TA) activities remain relevant and necessary to assist complex program operations. This validation concurs with these lessons. |
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| The project completion repoert (PCR) derived seven lessons from the project. Two of these were related to teachers' competencies and their capacity to evaluate student performance, and the importance of having competent, full-time teachers to provide theoretical and practical instruction to students. Civil works, procurement of teaching equipment, and development of new programs and supporting instructional materials are of little use if teachers were not effectively recruited and appointed.  Two other lessons were on the inadequacy of time to implement the project. The remaining three lessons were as follows: (i) the effectiveness of short-term study tours and training relies on the relevance of the topics to the conditions in Sri Lanka, (ii) social marketing and career guidance efforts are only as effective as the reliability and quality of the technical education and vocational training (TEVT) programs being taught, and (iii) addressing gender concerns in the overall mandate or in the TEVT sector should be considered a priority by the ministry to ensure effective implementation. This validation considers student demand for TVET and coordination among ministries in ensuring improvements in the TVET system crucial to achieve positive results and should be included as lessons derived from this project. |
| Specific lessons learned from the project are referred to in the project completion report (PCR) as having been applied in a follow-on project. These are on three areas: institutional capacity, disaster preparedness, and community-based schemes, but the PCR does not elaborate on what are the lessons. As such, this validation cannot comment on the lessons learned. A lesson offered by this validation is on cost recovery. Given that the flood protection benefit is largely reflected in higher land and building values, cost recovery for embankment maintenance should be sourced more from property (building and land) taxes rather than from irrigation service charges, which is linked to more usage of irrigation water. The project's design and implementation experience also pointed to the need for a clear separation of analysis on the institutional setup and financing responsibilities between different functions, which in this case were riverbank protection and irrigation management. |
| The project completion report (PCR) identified a few important lessons. A project-readiness checklist and training and capacity-building programs for the executing agencies will ensure that preconstruction activities are carried out in advance and only well-prepared projects are taken up for approval. Separate contracts for major bridges should be entered into, whenever necessary, so that such contracts are awarded to qualified, specialized contractors. Criteria for the qualification of contractors under a joint venture, and for the award of multiple contracts, should be strengthened for future projects. Contractual provisions related to contractor performance, such as mobilization, staffing, and deployment of equipment and funds, need to be strengthened so that poor contractor performance is discouraged. This validation has no additional lesson to offer. |
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| The project completion report (PCR) identified three lessons from the project - project readiness, project implementation schedule and procurement, and project management support. This validation finds these lessons to be normal occurrences during project implementation and considered as project risks in the project framework. It has a similar view with the PCR that the project cost estimate should have been reviewed to determine whether this was still applicable, in view of the elapsed period between appraisal and start of project implementation.  This validation notes that the appraisal used US dollar as the unit of measurement for the economic evaluation and then used rufiyaa in the financial evaluation. The PCR, on the other hand, used rufiyaa for both economic and financial reevaluations. A common currency unit could have been used for these evaluations to avoid confusion. It appears that the project design did not adequately recognize the risk that the tariff would be set at levels below cost, hence, more stringent mitigation measures may be required in future port projects. |
| This validation agrees with the lessons learned identified in the project completion report (PCR). In particular, it agrees that (i) the project should focus on smaller number of components that are physically integrated to simplify procurement and contract management; (ii) deeper consultation should have been done with the project towns during project preparation and implementation to better prepare them for cost recovery and tariff setting and for them to have a deeper assessment of subproject designs and their affordability; (iii) for operational sustainability, a long-term operation and maintenance (O&M) contract could be considered for incorporation into the construction contract for institutions having weak capacity and staff strength; and (iv) for effective gender mainstreaming and achievements, gender action plans should be prepared and agreed by all agencies involved in project implementation. Other lessons identified generally reinforce known lessons, such as more time and effective consultation being needed to prevent delay in identifying sites for wastewater treatment and other acquisition, and the need for projects to use simple financing plans to expedite withdrawal application. |
| The project completion report (PCR) identified a few important lessons from the project. The importance of having a lead institution in a disaster?response situation could allow transparent reconstruction, and help in establishing the government's commitment and credibility in mobilizing resources. Also, any large-scale reconstruction would require clear delineation of the mandates of various levels of government, to provide structure and clarity. To the extent possible, the provincial and regional governments and concerned agencies should be provided with the capacity to perform their mandated roles. In addition, this validation draws attention to the integrated approach to disaster recovery operations beyond infrastructure restoration to also include activities directed at restoring livelihood and improving the resilience of infrastructure and economic activity to disasters. |
| The project completion report (PCR) identified a few important lessons from the project. The project required dealing with six implementing agencies to cover various outputs. These agencies had mixed experiences in implementing ADB projects, especially at the provincial government level, which has limited personnel, technical capacity, and financial resources. Coordination was difficult as no single agency was in-charge of the project. For improved coordination and smooth implementation, it would be advisable to implement projects with one or two implementing agencies.  Also, this validation notes that the project design showed a poor assessment of the security and safety situation in the project area. This resulted in the slow implementation and even cancellation of planned outputs. The design and monitoring framework should have recognized the security and safety issues as a project risks. The executing agencies could have coordinated with the security agencies to ensure the safety of project participants. |
| The project completion report (PCR) identified a few important lessons from the project. There is a need for careful analysis of properties of collapsible loess at project sites since various types of collapsible loess behave differently and some treatment methods are more effective than others. (Collapsible loess is characterized by low density and cohesion, appreciable strength, and stiffness in the dry state, but is susceptible to significant deformation as a result of wetting. The approach used is applicable in project areas that are temperate and arid with annual average precipitation of about 300 millimeters. The main function of the upper layer asphalt is to provide water penetration to earthwork and skid resistance.) Also, for projects that encounter collapsible loess, sufficient budget should be allocated to the design of foundation treatment and its construction, which is more economical than having to remedy later deformed roads caused by inappropriately treated loess. Pavement layers should be constructed, to the extent possible, after 1 year or more after the settlement of earthworks, depending on the type of treatment of collapsible loess. This validation finds these lessons appropriate.  Given the significant increase in the number of affected households and the realignment of part of project construction sites, this validation would like to add a lesson on project cost estimation. Project designs need to provide adequate contingencies to cover possible changes in land acquisition and resettlement plans and unforeseen geological, topographical, and environmental aspects that could require modifications of detailed designs. |
| The project completion report (PCR) identified a few vital lessons from the project. A more detailed and comprehensive evaluation of the technical aspects of projects is needed to minimize changes in quantities and scope during project implementation and avoid delays and cost overrun. This is basic especially in areas where the geological nature and conditions are complex and fragile. Failure to do so could cause design changes, or the reestimation of needed earthworks, which could require detailed geological studies in the middle of implementation. Also, more robust due diligence is needed during project design and formulation to enable the closest possible cost estimates and to set aside enough resources to cover contingencies. This validation supports these lessons and has no other lesson to offer. |
| The project completion report (PCR) identified a few important lessons from the project, including the need to streamline the decision-making process for stakeholders. International consulting firms should also be aware of appraisal and approval procedures for the design documents. This validation notes that the rationale for separating the contract for detailed design (for the technical assistance/TA loan) and project supervision (for the project) was not well considered and resulted in project implementation delays. The additional layer of an appraisal consultant to evaluate the detailed design added to project preparation time. The benefit of such an arrangement was not proven, as the project supervision consultant may still need to revise designs to resolve on-site issues. ADB could consider the practice of one detailed design and project supervision consultant for a project and reevaluate the need for a separate appraisal consultant. |
| The project completion report (PCR) identified several lessons. These are not new and have been identified in many PCRs and evaluations, nevertheless, one is very important and this validation considers it justified to repeat it lest no lesson is drawn from the project - that beneficiaries must be involved in all stages of planning and implementation, and for a community-based project such as this one, community empowerment is essential. This validation notes that more needs to be done to enhance capacity at the local governments to sustain such community involvement. |
| This validation supports the project completion report's (PCR) observations, which concluded that the safety net programs in Bangladesh are effective in mitigating food crises during price increases and natural disasters. The PCR and this validation also concluded that close monitoring oversight and evaluation are essential for improving implementation and impact, even for short-duration and emergency assistance projects. ADB should have maintained better coordination with the executing agency throughout the whole project period and, afterward, assessed the project impact in the next few years. This validation notes that delegation of emergency assistance projects to resident missions is essential for effective monitoring and immediate decision making. |
| This validation agrees with the identified lessons learned and emphasizes the importance of the lesson where no consultant was engaged to address issues on the legal and/or technical aspects of operation and maintenance (O&M) planning and funding, measures for cost recovery, tariff collection, and the metering system. This weakened the capacity of the project to support this essential aspect of the project. Another lesson learned is for the problem analysis to be explicitly used to identify outcome and outputs, while outcome and output indicators and targets should reflect the causes of problems identified in the problem analysis. The indicators and targets in the project's design and monitoring framework (DMF) and project performance monitoring and evaluation (PPME) were not comprehensive. |
| The project completion reoprt (PCR) cited a number of lessons on future ADB intervention. These include (i) reducing the ADB approval process for subprojects from the current 4 months by improving internal coordination and streamlining internal procedures; (ii) strengthening innovative product development to tailor fit these to the needs of the Indian market; (iii) continuing emphasis and dialogue on environmental and social safeguards to improve appreciation of these factors when implementing infrastructure projects; and (iv) ensuring that impacts are realistic and are clearly linked with the effects of the ADB intervention, and that performance indicators are aligned and clearly reflective of the targeted impact following the ADB Guidelines for Preparing a Design and Monitoring Framework (DMF) (2007). More attention should be given to this aspect during the review and processing of the loan prior to the ADB Board's consideration.  Finally, when lending to financial institutions similar to development finance institutions (DFIs), especially government- owned institutions, special attention should be placed on the risks inherent in this type of set up so that the government concerned is alerted to the risks. The Government of India had been particularly receptive to this. Also for start-up institutions, a vision statement, strategy, and policy paper would be useful to establish a road map for defining its role, and a diagnostic assessment for its institutional development to better understand its needs moving forward. It would also be useful at the beginning of the process to explore what value additions could be incorporated in the design and formulation of the intervention, particularly those that can advance reforms. |
| The project completion report (PCR) identified a few important lessons from the project. To avoid implementation delays in the future, implementation should be scheduled to ensure timely recruitment of consultants prior to the start of civil works. Contract duration must take into account unexpected weather conditions that may hinder the planned execution of civil works. Customs projects require coordination with multiple ministries and agreements with neighboring countries. Diversified expertise and resources are required both from the government and funding agencies. As such, a customs component should be separated from road rehabilitation projects. Training on the ADB safeguard policy and procedure need to be strengthened, and this should be extended to consultants and related personnel. This validation has no additional lesson to offer. |
| The project completion report (PCR) presented suitable lessons. On the program loan, this validation shares the PCR's view that program support should be embedded in a government strategy to increase ownership and long-term commitment. This validation agrees that periodic assessment of client satisfaction should have been included in the monitoring and evaluation of the program.  The PCR stated that the customer satisfaction survey revealed some serious consumer protection issues that need to be addressed, but the PCR did not elaborate what were these issues. Further, the PCR also alluded to a potential weak link between the program's design and its ultimate goal of reducing poverty, as evidenced by the modest breadth of outreach of the program's policy actions and activities. A deeper linkage analysis would be beneficial for the sector, for example, on the customer profiles of the Agriculture Promotion Bank (APB), to identify if they are, indeed, mostly rural and to gauge the ability of microfinance institutions (MFIs) to reach the rural poor. The PCR stated that in the likelihood of success at midpoint, a follow-on technical assistance should have been planned, particularly for the Catalyzing Microfinance for the Poor technical assistance (TA), which would have further strengthened the program's outcome. However, the PCR was not clear if the TA project was recognized as successful, and did not specify the type of follow-on support that would be needed.  The APB met the requirements of the Governance Agreement but its capital adequacy ratio was still below the 8% requirement of the Bank of the Lao PDR (BOL). The planned infusion of additional capital to the APB should have targeted a level that would meet the BOL requirement.  For the project loan, this validation shares the view of the PCR that reasonable procurement and selection criteria for the relevant firm could have avoided the delay in the information and communication technology (ICT) and management information system (MIS) upgrade. For the capacity building of human resources, training should be translated into institutionalized practice within the APB to ensure long-term sustainability. This validation lauds the program's ability to mobilize cofinancing for all components to address weaknesses in key regulatory issues and institutional development. |
| This validation supports certain key lessons highlighted by the project completion report (PCR). These include the recognition that reforms and organizational change are not a straightforward sequencing of events but an iterative process (thus, it was very important to maintain a broad consensus and to build the capability and ownership aspects). This validation also supports the observation that building capacity should include soft capacity for change-management practices. Another lesson was the realization that the broad and rather ambitious scope of reforms under the program turned out to be appropriate given the coordinated approach by development partners and government support.  This validation adds this observation - what proved to be critical to the program was the need to understand political risks at the outset. Although this was an emergency program, proper attention should have still been given to the political economy of the reforms - that is, the ability of a new government to restrain spending. The incentive framework should have played a larger role in moving the economic agenda forward. |
| Four lessons were derived from the program. First, there is a need for sustained engagement in policy dialogue to build demand for social protection beyond the crisis response, particularly as it is a part of the ADB inclusive growth agenda. Second, this program maintained the role of ADB at the core of social reform in Mongolia. This opened important opportunities for ADB. Third, more in-depth analysis in terms of possible obstacles should have been done at program preparation or design stage, and a longer program implementation period should have been provided to overcome these obstacles. Fourth, the attached technical assistance (TA) grant was vital in achieving the program's policy reforms, which demonstrated that program loans need to be supported with a strong TA project. This validation concurs with the above lessons. |
| The project completion report (PCR) identified several important lessons. The project design needs to be cautious of interlinked project components and institution works. This validation notes that the lack of further financing support under component 2 stifled the momentum of progress in forming farmer enterprise groups. The lack of success in grade standardization and certification hindered progress in developing the wholesale market database under component 3. The project experience showed that planned regulatory reforms often take longer time and resources to be realized as compared with investment activities. The PCR also noted that the project attempted to work along the entire value chain, which made project tasks more difficult than if it had concentrated only on a few key links. This validation concurs with this lesson. Regarding the complexity of the project, this validation notes that introducing and promoting such an ambitious and transformative undertaking require substantial preparation and investment to communicate the interrelation between the project's activities and outputs to raise buy-in among project agencies and beneficiaries and gain their confidence in the possible attainment of project outcomes. |
| The project completion report (PCR) identified two lessons. The first was on the resettlement plan implementation and the need for adequate budgets, recruitment of qualified external monitors, and early planning and construction of resettlement sites. The second was the need for extensive technical research and development studies in cases where project expressways pass through difficult and complicated geotechnical terrain. This validation concurs with these lessons and has no other lessons to offer. |
| This validation agrees with the identified lessons, particularly on the need for a clear cost recovery mechanism. It also agrees that in future projects, a clearer tariff increase trajectory must be set out in the project design to achieve full cost recovery, along with an interim subsidy mechanism to support financial sustainability before reaching full cost recovery.  This validation also agrees that this project needs to avoid oversized investments by critically reviewing demand and supply projections with assessments of actual urban development patterns and realistic projections of future demand. A phased approach could be considered for infrastructure investment to meet progressive increases in demand. |
| This validation agrees with the lessons identified in the project completion report (PCR), including the observations on ways to raise water and wastewater tariffs to allow for cost recovery. This validation agrees on the relevance of the lessons pertaining to non-revenue water (NRW) management, corporate governance, and enterprise reform to other similar projects. More attention should be given in estimating the projected demand to ensure full utilization and allow resources to be used more efficiently. |
| The project completion report (PCR) noted that ADB should have allowed adequate time for planning, design, tendering, and construction of projects as the incidence of security issues severely hampered implementation of the project. ADB should have deferred project implementation or even the loan itself, until such time that security was restored on a permanent basis. This validation supports this lesson. It notes that the two loans were approved after the peace agreement was signed, although the situation still remained volatile and could be considered as unsuitable for project implementation. |
| The project completion report (PCR) provided lessons, which this validation agrees should be applied in future adjustment programs in small countries with limited capacity. The first three of these - simple program scope, achievable tranche conditions, and realistic time frame - should have been better taken into account in the design. For example, the requirement for Parliament to adopt the regulatory framework for banking supervision as a condition for tranche release was a risk to the program's success. Legislative changes require wider consensus building for change, capacity building, and work with policy makers and legislators. The PCR also suggested that when supporting a reform program to introduce new and unfamiliar initiatives/concepts, consultants may need to spend even more time in countries with limited capacities.  In assessing the effectiveness of the program and ADB's performance in implementing it, this validation notes that greater care should be taken in defining the program's outcome deliverables. Results that are not within the direct influence and accountability of a program should not be included in the outcomes and outputs (e.g., reviewing and monitoring compliance to the performance benchmark indicator/PBI targets). |
| This validation generally agrees with the lessons detailed in the project completion report (PCR). Some are well known from the past experiences of ADB. One of these is the need for the project manager to be appointed early to assist with the detailed design of project. The size of the consultant services package should correspond to the size and complexity of the work required in a project, otherwise, the project implementing unit will not be able to cope nor will it gain as much capacity development as was intended. In this project, there were areas where a lack of expertise within various PPIUs, especially in financial reporting and information technology, caused difficulties. Similarly, more attention to the pre-project training of project staff may prove to be a worthwhile initial investment of time and funds.  Engaging local communities in school-improvement activities allowed for much better linkages with local contexts. Likewise, the flexibility of the new curricula's component that took account of the regional and/or local context, particularly for ethnic groups, was important. Involving local communities in managing civil works may also be extended to other areas of school operations. For example, having teacher and school management training to occur within local schools could result in engaging high-performing leaders and local managers as trainers. This strategy is being used successfully in other countries with consultant input being brought in to work with local practitioners.  The development of an education management information system has significantly improved planning as program effectiveness and efficiency can be monitored and more strategic decisions can be made in allocating resources according to identified needs. In addition, the research-based pilot studies on school management and decentralization yielded good preliminary insights on how to effectively apply the principles of school-based management of upper secondary education (USE) at the local level. Other project pilot studies such as school mapping were not as successful, but it seems that pilot studies are a worthwhile project subcomponent as they map a path for introducing innovations and for building capacity within local agencies to undertake meaningful applied research.  The PCR also identified a lesson that suggested project preparatory technical assistance (PPTA) consultants to coordinate closely with the government agencies to ensure compatibility of project design with the sector strategy of the government. This, however, is a standard operating procedure, yet it is often taken for granted. |
| The project completion report (PCR) identified a few important lessons from the project. Importing relatively inexpensive electricity from Tajikistan, or elsewhere, can result in huge economic benefits to Afghanistan. Also, financial assessments at appraisal need to fully assess the capability of executing agencies. The economic and financial benefits of the project for Afghanistan could be greater if investment in distribution facilities were undertaken in a timely manner to utilize the capacity of the project transmission line. This validation notes that the inclusion of contractors from countries with existing international sanctions, such as Iran, could create difficulty in sourcing the required input items to be used under the project. Although this particular subcomponent was funded under the Islamic Development Bank, it delayed the construction of two switchyards for the Afghanistan side. |
| The project was complex as it involved a number of agencies during implementation. Switching to the Ministry of Interior (MOI) as the executing agency at a late stage in processing should have served as a warning, particularly its suitability and readiness in undertaking the key role, familiarity with the project as designed, and ability to coordinate institutional arrangement at different levels under a basin-wide approach. The project should have anticipated the capacity constraint of agencies, especially in relation to interagency coordination. The project should also have been aware about implementing agencies' capacity to handle procurement and contract award according to ADB rules and requirements. This validation supports the project completion report (PCR) suggestion that more in-depth institutional analysis was required at all levels prior to project implementation. Baseline information and regular monitoring were essential components to evaluate project performance. Likewise, monitoring and evaluation should have been undertaken properly during project implementation. |
| The project completion report (PCR) listed several valuable lessons although they are not new and have been identified in many PCRs and evaluations. Nevertheless, these are very important and this validation considers them justified to be repeated, as follows: (i) appropriate timing and sequencing of reforms is essential for any reform program; (ii) focus should be on core reforms essential to the program, numerous policy actions should be avoided; (iii) capacity building and development of core competencies are essential for both implementation and sustainability of reform programs; and (iv) involvement of officials and building of institutional memory are essential in institutionalizing and sustaining reforms. |
| This validation agrees with the lessons learned identified in the project completion report (PCR), in particular, the necessity of advance actions for consultant selection, procurement, land acquisition, and statutory clearances, which can help in the timely completion of projects. This validation also supports the observed lesson for this type of project to use more standardized country systems and processes and control mechanism, at least at the state level, to reduce implementation effort and time. Further, this validation notes the need for awareness campaigns to change the behavior of urban residents to assure the achievement of project impacts. |
| One of the lessons drawn by the project completion report (PCR) is that programs and technical assistance (TA) work should not depend on the passage of law in countries where legislative processes are slow and cumbersome. On the other hand, ADB backing and support may be crucial for authorities to be able to push for reforms in difficult political environments, such as the Philippines. This should be weighed more carefully in undertaking critical reform programs, although attention should be paid for improving the process.  The second lesson noted by the PCR is the need to undertake a deeper and broader analysis of the political economy for ADB to better gauge the prospect of reforms within the program time frame. The PCR also noted, for example, that the Capital Market Development Plan (CMDP) was initiated unilaterally by the Securities and Exchange Commission (SEC) and, clearly, it was not reflective of industry sentiment, hence, it did not enjoy widespread support. In the case of the Insurance Commission, pressure from the industry to postpone higher required capitalization contributed to a change in the Insurance Commissioner and a reduction in political will in support of reform. Reforms clearly require consensus building and consistent support. Moreover, in countries such as the Philippines, one needs to have an influential and bold champion behind reforms.  The third lesson learned is program design should focus on implementing reforms not only where commitment is strong but also where resources and external factors are adequate to ensure successful implementation. A program administration memorandum that defines actions, timelines, and costs, especially for complex, complicated reform programs may be useful.  Parallel reforms in related areas are also critical components to ensure the success of sector reform programs, particularly where reforms may depend on reforms in other sectors (such as governance and fiscal management) or cut across sectors. |
| This validation agrees with the identified lessons, including the problem on the slow recruitment of consultants by executing agencies, which is a problem that is not specific to this project. Other lessons not raised in the project completion report (PCR) include the following: (i) that the design and monitoring framework (DMF) should include usable performance indicators and targets at impact level, and impact statements need to be linked to outcome statement and to outputs that will contribute to the achievement of the impact; and (ii) that the project team must ensure adequate estimates of price contingencies during project preparation. Considering ADB's extensive project experience, there should not have been a need to go back and forth on the correct estimates of cost and financing, as displayed during the implementation of this project. |
| This validation concurs with three particular lessons identified by the project completion report (PCR). First, in targeting populations for voluntary counseling and testing (VCT), one needs to undertake systematic population mapping, recruit suitable peers to approach target groups, and ensure closer interagency collaboration. The tendency to set optimistic (high) testing targets would encourage broad brush targeting and hinder counseling and voluntary testing. Second, behavioral change communication should be appreciated as a complex process. The process does require specialized and experienced persons to be provided with adequate time on the ground. Third, awareness-raising projects such as this one requires a systematic exit strategy to continue its activities, including future use of information materials generated. An exit strategy is best developed and discussed starting from the project midterm review. |
| The project completion report (PCR) identified five lessons, as follows: (i) the need for consultation with municipal governments to ensure prompt selection of subprojects; (ii) the need for training of technical staff, local consultants, and contractors in technology and workmanship to comply with international standards; (iii) on-the-job training activities alone are less effective than actual training courses for capacity development; (iv) proper study is needed for issues such as planning and funding of operation and maintenance (O&M), cost recovery, tariff collection, and the metering system to mitigate the risk of inadequate O&M, water supply, and sanitation facilities; and (v) the need to highlight the usefulness of the management information system for providing project information and data. This validation holds similar views with these lessons and has no other lesson to offer. |
| This validation concurs with the key lessons identified by the project completion report (PCR), which essentially reaffirm the benefits of a participatory approach in planning and implementing poverty-alleviating interventions and of partnering with established nongovernment organizations (NGOs). The key lessons are as follows: (i) workable partnerships between NGOs and frontline government service agencies promote the effective delivery and targeting of project services; (ii) in an environment where livestock demand is present, good access to inputs and production techniques by rural households are critical and can increase their income; (iii) employing extension workers that come from the community and equipping them with appropriate skills supported better service delivery and linked beneficiaries with other support providers. Government should, however, be forewarned of the need to also explore and develop possible exit mechanisms for NGOs with the view of promoting self-reliance among the beneficiaries. |
| The project completion report (PCR) derived five major lessons from the project. First, complex and multi-activity projects such as this are better done in adjoining areas (e.g., provinces) to ensure implementation efficiency and more uniformity of issues being addressed. Second, continuing stakeholder training is important to implementation success. Third, there is a need to pay closer attention to accurate cost estimates and provisioning for price inflation in Viet Nam. Work delays under the project were associated with price increases and compounded by unfamiliarity with procurement regulations of both ADB and the government. Fourth, more attention is needed to monitoring outcomes. Given ADB's results-based approach to project management, outcome monitoring would have been a priority. Fifth, future projects should consider investment size that takes into account the limited capacity of the central and local governments to cover required recurrent expenditures and the need of the projects to use appropriate technology with manageable cost implications. This validation considers these lessons to be appropriate.  This validation would like to suggest an additional lesson on the importance of establishing a baseline data at an early stage of project implementation, or during project preparation, to enable the accurate evaluation of the project's results. This is a recurring issue that warrants serious attention. |
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| The decision to use the project management units (PMUs) of ongoing ADB-funded projects with minor increase in staff expedited reconstruction. This ensured that field staff members who were familiar with the area were already on-site, thus shortening the assessment time required for the assistance.  In emergency situations, requiring design changes that are inconsistent with existing regulations should be avoided no matter how appropriate. While the government agreed to these new design changes, they had to be formalized and communicated to all, which could not be readily achieved in an emergency where institutions are still being rebuilt. |
| The major lessons from the project presented by the project completion report (PCR) are suitable. Costs of project expenditures should have been more carefully assessed at appraisal and timelines for infrastructure should have taken into account the short construction season in some project areas. Where a major project component is heavily dependent on consultants, such as the development of a unified automated information system (UAIS), and where the executing agency has weak institutional capacity, ADB should take greater responsibility in monitoring at the early stages of implementation to avoid problems that could cause delays. ADB should ensure that the executing agency become familiar with bidding and procurement procedures. The PCR stated that in cases where the executing agency is able to coordinate directly with other agencies to facilitate project implementation, a project steering committee (PSC) may not be necessary. This validation is of the view that this may be considered where there is capacity to coordinate directly and where the executing and implementing agencies are the same, such as in this project. Lastly, competitive remuneration should be offered to project management office (PMO) staff to avoid high staff turnover. |
| Four lessons were derived from the project. First, the project underscored the important elements for project success such as (i) strong commitment by the government, (ii) close collaboration among development partners, and (iii) prompt response to the client's changing needs during implementation. Second, the co-leadership of the Ministry of Health (MOH) and the project coordinator was key to the project's achievements. Third, the project was not a stand-alone woman and child health (WCH) project, but a part of broader health sector reforms. Thus, strong collaboration among partners and responsiveness to actual needs were important contributors to the success of the various programs. This collaboration enabled other partners to address project activities, making it possible to reallocate resources and expand geographic coverage. This approach improved project achievements and increased the possibility of sustainability. This validation agrees with the project completion report's (PCR) lessons.  This validation adds another lesson: to ensure that project components are realistically achievable given the proposed time frame and other project resources, needs assessment should have been conducted. |
| The project completion report (PCR) identified two lessons. The first discussed the issue of phasing subprojects and using different consultants for design and other preparatory work. It also discussed the issue of implementation delay as a result of using different consultants and preference for one consultant to prepare all of the subprojects. The second lesson was the delegation of authority to provinces for implementing subprojects, which increased ownership and led to a reduction in delays. This validation concurs with these lessons.  The PCR could have also raised the issue of the RoSy Pavement Management System, which was provided but not used by all provincial departments of transport (others used the World Bank's Viet Nam Provincial Roads Maintenance Management System software). ADB needs to ensure that resources it offers are indeed needed by the implementing agencies. Other than these, this validation has no other lessons to offer. |
| The project completion report (PCR) identified a few important lessons from the project. Due diligence is needed during project design and formulation to enable a more accurate assessment of cost estimates and to be able to set aside enough resources to cover contingencies. Also, a more realistic time frame for implementing a road project should be formulated, taking into account unpredictable local weather conditions and other contingencies. At appraisal, a project design needs to be properly formulated through broader consultation with line ministries and other stakeholders. For future projects, the criteria for hiring contractors and other contractual provisions need to be strengthened to improve contractor performance. This validation holds similar views with these lessons and has no other lesson to offer. |
| The project completion report (PCR) identified a few important lessons. One is the need to provide sufficient contingencies for similar projects in the future to avoid cost overruns. Another lesson is that adequate training on project management and implementation should be provided to concerned staff as implementation delays were mainly caused by slow and repeated procurement actions. The local competitive bidding adopted in the project provided an opportunity for domestic firms to learn international best practice. This validation offers an additional lesson for future projects. There is a need for realistic estimation of project costs and a more careful assessment of geologic conditions in the project area. |
| The project completion report (PCR) identified four lessons from the project in the areas of: (i) project readiness, (ii) capacity of the implementation agency, (iii) tight monitoring and control, and (iv) land acquisition and resettlement. The validation generally agrees with these lessons. In addition, the validation points to the need to keep abreast of the government's medium-term plan during the project appraisal. The cancellation of the NH-34 component could have been avoided if the government had been forthright about its plans. However, the existing 9th Five Year Plan of India during appraisal had already indicated the upgrading of major national roads to four lanes, and this should have raised concerns and brought to the attention of the Government of India so that cancellation could have been avoided. |
| This validation concurs with the lessons highlighted in the project completion report (PCR), particularly on the need for similar projects to better define the monitoring method on biodiversity indicators, and for a policy brief to be prepared to disseminate more widely the lessons learned and to help in high- level decision making. In this project, it becomes clear that the most successful elements of the project were those that could feed into the government plan at early project preparation phase, so these could be incorporated into the government development plan. The project steering committee (PSC) effectively acted as an interagency working committee, and further validates the lesson that such a committee should be established early before project start-up. Other lessons identified, however, were not particularly insightful, such as the call for a realistic setting of performance targets, and the need for a strong political support to sustain improvement in nature reserves.    On the resettlement aspect, this validation concurs with the lessons highlighted in the PCR, where successful resettlement was realized due to good planning, government support, extensive consultation with affected communities, and close supervision. The project was able to transform the livelihood of the affected people from activities that caused environmental degradation to those that support nature conservation, through greater income reliance on non-timber forest products (NTFPs), use of intensive farming practices to reduce water use, and availability of ecotourism as a source of income. The experience showed that resettlement can be done properly without serious conflicts, as long as beneficiaries are involved in all stages of planning and implementation. Changing of livelihoods, which is usually considered as difficult particularly from farm to nonfarm (ecotourism), were properly implemented in this project, while maintaining or even increasing income levels. The PCR highlighted three key lessons in which this validation concurs: (i) the policy support lasts longer than one-time cash compensation; (ii)thecombination of proper restoration sites and the proper development of alternative livelihoods can ensure watershed and wetland protection, while maintaining livelihoods and incomes; and (iii) non-cash compensation for eco-resettlement sometimes achieve better results than cash compensation. |
| This validation concurs with the project completion report (PCR) lesson and recommendation for other externally supported programs to adopt a consolidated approach. Each proposed program is to link itself to a single, consolidated government-led policy matrix. This approach will enhance coordination and collaboration and government ownership. Another critical lesson unique to Tonga is to have the exact method for ADB verification of each tranche and/or policy action to be discussed and agreed upon beforehand with the government.  The PCR also listed other lessons that are generally applicable to future programs, such as (i) policy actions need to match capacity; (Reflecting on the program design, the PCR reported that some ADB development partners considered that a tougher stance should have been taken to promote deeper structural reforms (e.g., reduce civil service redundancies) as first tranche policy actions. Some of the adopted actions (e.g., achieving financial ratios) were considered too easy to implement. This illustrates the challenge one would have in balancing reform ambitions with institutional capacity and political will on the ground.) and (ii) provision of a technical assistance (TA) that can effectively aid program implementation. Based on the program's lack of success in tracking its impact on the health and education services standards, this validation recommends that future programs should exercise closer scrutiny to ensure that outcome indicators are available and accessible. Generally, for reform actions meant to assist or to protect vulnerable groups, a deeper analysis on the program design needs to be undertaken, rather than focus on maintaining or enlarging certain budgetary allocations. After program completion, the PCR recommended that a continuing monitoring be done by ADB through its various missions to Tonga to ensure sustained benefits of the policy actions. This validation supports this recommendation and notes that the follow-on the Strengthening Public Financial Management Program (SPFMP) is a vehicle to help ensure impact sustainability. |
| This validation concurs with the lessons identified in the extended annual review report (XARR) from this highly successful project. |
| Some of the positive lessons from the project include (i) the inherent advantages of direct investments in financial institutions as opposed to financial intermediation loan modalities and corporate loans; (ii) the importance of good financial institution management teams for its business success; and (iii) the importance of concurrent improvements in the regulatory framework for private investments in infrastructure. |
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| The extended annual review report (XARR) identified the following issues and lessons: (i) The risk management system of the JSC Alliance Bank (ALB) could have been scrutinized more closely, (ii) Asset quality of ALB could have been monitored more closely, and (iii) ADB had too much confidence in Kazakhstan's regulatory capacity to supervise and monitor the banking sector. The XARR also concurred with most of the findings contained in the Office of Risk Management (ORM) memorandum covering lessons learned from the ADB experience with ALB and Bank TuranAlem. The memo identified 25 lessons that included (i) avoiding loan concentrations (sector and single obligor), (ii) sampling loans of the borrower during due diligence (to check for related party transactions), (iii) examining rapid loan growth (particularly if outside of the bank's core competencies), and (iv) avoiding inexperienced management teams.  This validation agrees with the issues and lessons identified in the XARR and the ORM memo but adds that the term 'SME'or small and medium-sized enterprise should be defined in the report and recommendation of the President and facility agreement of future loans to ensure that proceeds are indeed for onlending to SMEs. It is unclear whether reported SME lending data are in line with the government's definition of SMEs (i.e., enterprises having no more than 250 employees and average annual assets of no more than $3 million). |
| The extended annual review report (XARR) stated that current evaluation guidelines put too much emphasis on the profitability of investments as profitability measures are used in three different sections of the XARR. The XARR also mentioned that if an investment fund is evaluated after it is fully divested, fund managers and management companies may have started to disband and be unavailable for comment. Conversely, if the evaluation is made too early, the financial internal rate of return (FIRR) may not be fully realized. The XARR also suggested an improvement in the wording of ADB's targeted development results to avoid overly focusing the evaluator's attention on the financial result, which is only one of the intended outcomes of ADB's investment. |
| This validation agrees with the issues and lessons presented in the extended annual review report (XARR) but also finds other issues and lessons. Firstly, the manager selection process was not documented in either the report and recommendation of the president (RRP) or the XARR. Although several qualified firms had been interviewed beginning at the time of the concept clearance paper, the winning manager (Mekong Capital Limited or MCL) was created during the year between concept clearance and RRP approval by a departing employee from one of the major firms interviewed, in a process contrary to representations in the concept clearance paper (CCP) - which stipulated that the fund manager selection must be transparent - and was not described in the RRP, XARR, or other documents available to this validation.  Secondly, the fund deviated from its main objective of investing in private sector small and medium-sized enterprises (SMEs) as stated in the RRP and the investment management agreement. SMEs were not defined in the RRP and the investment management agreement but at least 4 of the 10 investee companies of Mekong Enterprise Fund (MEF) were not SMEs as defined by the Government of Viet Nam. ADB was on the Board of MEF and the fund manager has been providing regular reports to ADB so ADB should have been able to detect this.  Thirdly, the project did not fully utilize its relationship with the Mekong Private Sector Development Facility (MPDF), which was supposed to provide valuable support particularly in identifying potential investee companies for the fund. The completion report of the technical assistance (TA) project that is supporting SME growth in the Mekong region stated that the MPDF assisted 129 SMEs in preparing bankable business plans - 9 in Cambodia, 16 in the Lao PDR, and 104 in Viet Nam. The total project costs amounted to $109.0 million of which external financing raised was $60.4 million.  Finally, the fund and the resulting management fees were too small. MCL management fees were so small that it could only afford one office, in Viet Nam, and the fund never invested in Cambodia or the Lao PDR. More thought should have been given to the management of firm operations and economics. |
| This validation agrees with the lessons enumerated in the project completion report (PCR). The project experience reaffirms the benefits of a participatory and gender-balanced approach to livelihood improvement and resource management. Other lessons identified were generally useful to reinforce the existing knowledge, such as (i) strengthening the capacities of participating public agencies and nongovernment organizations (NGOs) weakened by conflict and natural calamities must precede implementation of core project activities to help ensure project success; (ii) micro-credit needs to be undertaken through established microcredit intermediaries where administration cost is lower and default rates could be reduced because of the specialized expertise of intermediaries; and (iii) confronted with many uncertainties during the life of the project, process- or activity-based monitoring - as opposed to more rigid formal monitoring systems - enabled the project to better adapt to changing situations on the ground. |
| The project completion report (PCR) identified lessons from the implementation of the project that could be valuable to both ADB operations and to the borrower. This validation concurs with the PCR lessons, which essentially serve to reaffirm the benefits of a participatory approach to resource management. Key lessons are as follows: (i) mobilization and organization of coastal community groups and their subsequent participation in planning social infrastructure facilities did help foster a favorable climate for partnership among citizens, national and district governments, and the nongovernment organizations (NGOs); (ii) coordination of implementation arrangements among enforcement and/or regulatory institutions and communities, and the comprehensive awareness campaigns ensured the acceptance of various coral reef management (CRM) tasks entrusted to the communities; (iii) empowerment of women created numerous opportunities for them to be part of the decision-making processes and substantively contributed to improving their household income; and (iv) labor and local materials contributed by the fishing households for village level infrastructures or facilities instilled ownership and volunteerism that are necessary for the subprojects' sustainability, and lowered investment costs. |
| The project completion report (PCR) provided valuable lessons to ADB operations. The clarity of the project's purpose, objectives, processes, and procedures helped ensure the government's commitment and focus in implementing the project, and fostered effective coordination at the national and provincial levels. This validation concurs with the PCR explanation that certain institutional factors, like the use of cost norms in capital expenditure budgeting, led to start-up delays and should therefore be addressed by the government. Receptivity and capacity to adjust to changes in loan administration policy and procedures, and the prompt action on the recommended reforms in rural infrastructure rehabilitation works are important lessons for both the government and ADB in designing and implementing this project. Future interventions to address similar emergency situations through any modality akin to the emergency assistance loan (EAL) have to be doubly scrutinized. Projects for EAL consideration should be selected more carefully. The delivery of the desired outputs, especially those that are capital expenditures in nature, could easily be constrained or at worst derailed by restrictions that are inherent in such assistance, but not often seen in ordinary program and/or project loan operations. Rehabilitating damaged infrastructure and facilities often take a long time, and sometimes require redesign to be sustainable. ADB- supported rehabilitation efforts also have to be synchronized with those of other donors and humanitarian relief organizations with vast experiences in disaster relief and mitigation to ensure timely delivery, quality, and immediate impact of the assistance. However, given the short time frames for EALs, longer-term rehabilitation activities should be mainstreamed in future country operational plans with corresponding alternative funding mechanisms explored. |
| This validation agrees with the project completion report (PCR) on the general lessons drawn from the Second Phase of the Governance Reform Program (GRP II) and it offers additional lessons.  The Managing Government Expenditure prescription on the public financial management (PFM) would be appropriate: (i) never transpose into a different social and economic context reforms introduced elsewhere, without in-depth assessment of their impact and requirements and appropriate adaptation if necessary; (ii) never move beyond the basics until one is certain that the basics have been set right; (iii) never hope for a quick-and-easy technical solution to complex and long- standing budget process problems; and above all, (iv) keep the local authorities firmly in charge of the reform process, and never assume that the 'experts' are invariably right.  In view of the difference in opinion with development partners regarding the approach that should have been taken, even if already ensconced in a law (Public Sector Management and Finance Law), the product of earlier efforts to improve PFM in the country should have been subjected to greater scrutiny and raised certain concerns. Moreover, given the complexity and comprehensiveness of the program, as different government agencies and bodies were involved, much greater preparatory work should have been undertaken in formulating the program to properly adapt the scope, time frame of reforms, available resources, and institutional capacity to its proper pacing and sequencing. (For example, review of the basics, identifying weaknesses and deficiencies of the system, consensus building among all stakeholders, identifying causes of dissatisfaction with the process and the incentive framework, e.g., local governments complain their investment plans are not being taken into account as the process is centrally driven.)  For complex, complicated, and broad-based programs such as the GRP II, close monitoring is a must, such that greater responsibility can wholly or partly be devolved to the resident mission, with appropriate in-house expertise. In view of capacity limitation on the part of the government, closer and more intensive handholding would have been indicated, such that deploying in-house medium-to-long-term experts would have been advisable. |
| Lessons in the project completion report (PCR) noted that the use of modern technologies to capture methane gas can produce attractive returns while addressing the issues of climate change, energy security, and mine safety. Strong commitment and ownership of the project proponents are critical to the success of a demonstration project that uses the latest technologies. Flexibility in project design can also contribute to project success because changes not anticipated during project design and approval can adversely affect the project. The project demonstrated ADB's ability to design and formulate projects that provide large greenhouse gas mitigation and other environmental benefits. This validation concurs with the PCR's lessons and has no other lessons to offer. |
| The project completion report (PCR) presented a few lessons related to better analyses on poverty and demand and supply for housing, improvements in the selection criteria, and more pro-poor loan procedures and flexibility in the loan size, term, and use. Most of these suggestions seem to be improvements in procedures during project preparation stage, rather than lessons. One lesson that can be highlighted is that improving the uptake of housing loans by the urban poor requires an adequate supply of housing units that suit their requirements, complemented by pro-poor loan procedures, such as fixed interest rates and flexible repayment terms. Another lesson is the need to properly phase consultancy support over the project's implementation period in view of the weak institutional capacity. If interest rates are market-based and not subsidized, poor households may also need other forms of subsidy as a part of national social policy to make housing affordable to them. This validation has no other lessons to offer. |
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| The project completion report (PCR) identified four lessons. The PCR recommended that ADB should not approve funding for projects without independent evaluation and diligent review. The PCR questioned the sector loan approach because one subproject that was identified after loan approval took longer to process than planned. Delegation of loan administration to the Viet Nam Resident Mission improved the ability of ADB to monitor project. Lastly, cofinancing works well when the cofinancier accepts ADB rules and procedures for equipment procurement.  This validation agrees with the last two lessons regarding the delegation of loan administration to the resident mission and to the common rules and procedures for procurement. However, this validation does not concur with the first two lessons. The first lesson pertaining to the conduct of an independent evaluation and review is, in essence, a recommendation. There is also little justification provided for this recommendation in terms of cost and effectiveness. The conclusion that the sector approach was ineffective because one subproject experienced delays seems unwarranted.  In addition, ADB should have foreseen the risk of a new entity, the National Power Transmission Corporation (NPTC), which was significantly different from the designated implementing and executing agencies, and that this could possibly interfere in project implementation arrangements. At design, such risk should have been mitigated through appropriate loan and/or finance agreement clauses. This is an important lesson for future projects. |
| The project completion report (PCR) derived the following six lessons from the project:  (i) Including detailed implementation plans for the project's first year would have prevented delays during implementation.  (ii) The implications of any major reallocation of project resources should have been well calculated.  (iii) In piloting pro-poor health schemes, the government should have contributed more to ensure ownership and commitment. Comprehensive social health protection mechanisms such as the Health Equity Fund (HEF) (mostly supported by donors) should have been independently evaluated, especially its cost-effectiveness, financial sustainability, and mechanisms prior to expanding nationwide.  (iv) Identifying mechanisms to enhance transparency would have increased the HEF's efficiency.  (v) The targeting mechanism should have been evaluated prior to scaling up the HEF scheme.  (vi) Capacity building in monitoring and evaluation (M&E) would have enabled the managers of the project's provinces and districts to perform results-based management.  This validation considers the PCR's lessons to be appropriate. But instead of six lessons, there could have been only four as lessons (iii), (iv), and (v) are related to the HEF scheme, which could have been combined into one lesson. |
| This validation concurs with the lessons cited by the project completion report (PCR) that a program cluster approach works well to encourage and engage countries that are committed to change, such as Viet Nam. Discussions on expected prior actions (or policy triggers) combined with tentative policy actions for the medium term as well as monitoring of higher-level sector results gave ADB and other partners the platform for continuing engagement in the context of the government's own development program. A series of single-tranche loans provide the flexibility to support medium-term oriented reforms. This validation appreciates the PCR lessons, and notes that (i) a key benefit of continuing engagement and dialogue is the expanded trust between development partners and government, which reduces transaction costs on both sides; and (ii) the need to ensure that laws and regulations produced are implemented to yield desired outcomes.  This validation notes two issues with the Poverty Reduction Support Credit (PRSC) and/or the Support the Implementation of Poverty Reduction Program (SIPRP) format. First, as reported in the PCR, budget support from the PRSCs went directly into the state budget. Line agencies that have participated in the policy dialogue and have achieved policy actions may not directly benefit from budgetary increases. Therefore, the link between agency performance and direct budgetary benefits was not clear. Second, this validation notes that the link between various detailed policy actions and outputs and monitored outcomes (high-level sector results) were often unclear, even to the line agencies and ministries that are principally accountable for the outcomes. This validation concurs with the PCR's observation that sensible intermediate indicators are required to bridge and clarify the links between various policy actions and high-level outcomes. The PCR was unclear on how policy actions in a particular area were tied together and worked over time toward a specific outcome. |
| The PCR (project completion report) identified a few important lessons from the experience with contractors. The criteria for the qualification of contractors under a joint venture and for the award of multiple contracts should be strengthened. The PCR did not elaborate how this can be accomplished. This needs to be further assessed to formulate concrete steps to ensure that prequalified contractors are indeed capable as claimed and have the technical and financial resources to complete the proposed project. While performance bond requirements seek to guarantee contractor performance, this seemed ineffective under this project. There is also a need to strengthen provisions related to contractors' performance, such as mobilization, staffing, deployment of equipment and funds, release of payments, bonus for early completion, and penalties so that poor contractor performance could be discouraged. Likewise, the performance of the contractor should be assessed at the initial stages of the contract and the decision on termination, if warranted, should not be delayed. This validation finds these lessons appropriate and has no further lesson to offer.  project cycle stage: Design, Appraisal, Implementation |
| This validation opines that the key lessons from this project, to be of substantive value to both the borrower and ADB operations, should not just be confined to a factual presentation of what transpired during project execution. Rather, they should be an account of the 'do's' and 'don'ts' in implementing a follow up or similar project in the future based on project events. Implementation delays could not have ensued and loan extension could have been negated if the following were undertaken early on during project preparation or implementation: (i) identification and deployment of qualified personnel, (ii) conscientious study of the manpower requirements of the Integrated Water Resources Management Unit (IWRMU) with the view of stemming employee turnover and sustaining staff interest and commitment to work, (iii) careful selection of partner nongovernment organizations (NGOs), and (iv) thorough needs assessment of subprojects. The government should also be forewarned of the need to develop and install a support system to sustain the water management cooperative associations (WMCAs) given their vulnerability to scheming and divisive tactics from various self-serving groups. |
| This validation agrees with the project completion report (PCR) on the general lessons drawn from the Micro, Small, and Medium-Sized Enterprise Sector Development Program (MSME SDP). The clearly defined tranche release criteria provided impetus to achieve the envisaged outcomes and outputs. More involvement by the implementing agency, such as the Department of Cottage and Small Industry (DCSI), in the design process could have improved impact, particularly for the cost-sharing facility (CSF). There was lack of qualified local consultants and foreign consultants did not fully understand the context in Bhutan for a program such as the MSME SDP. Future programs should adequately account for this risk.  This validation agrees with the lessons pointed out by the project completion report (PCR) on the program and project components. The lessons from the program component were (i) the importance of an MSME policy paper, although delayed, in setting the strategy and action plan and a clear work program for DCSI; and (ii) administrative costs could have been reduced and incentives increased for implementing the program preconditions if the three tranches of $2 million were set to just two tranches of $3 million. From the project component, the lessons pointed out were (i) the broader reach realized due to the combination of credit to MSMEs, investment in their capacities, and an enabling environment; and (ii) the strong continuity between an earlier support by ADB for a credit information bureau and the project's support for a central registry as both initiatives reinforced each other. In addition to the lessons drawn out by the PCR, this validation adds that there should have been adequate assessment at appraisal of the suitability of a new facility such as the CSF, especially in the context of Bhutan where the number of BDS providers is small and where government heavily subsidizes training for business development services (BDS). |
| The project completion report (PCR) identified three lessons. The first two lessons on project cost and counterpart financing dealt with procedures that are normally expected to be followed. In this validation's view, these are not lessons. The third lesson noted how the project contributed to sustainable socioeconomic development in the project area. This lesson was more of a discussion on a few facets of project implementation rather than a lesson. This validation has no lessons to offer. |
| The project completion report (PCR) identified several lessons. First, it highlighted the need to train all market participants to ensure their readiness. On the transmission and substation component, the PCR suggested that ADB and the National Transmission Corporation (TRANSCO) should have closely collaborated to prevent implementation delays; implementation would have proceeded quicker had TRANSCO appointed full-time staff for bid evaluation. A single procurement of the substation equipment and resolution of right-of-way issues before project commencement would have hastened implementation.  The PCR noted that compensation and resettlement issues would have been resolved more quickly had the project made affected people better aware of the property valuation process and the impact of the project upon them, and established a mechanism for resolving disputes. Local government institutions would also have helped resolve disputes. The project should have activated the external monitoring group earlier to prepare it for the task of assisting affected people. This validation agrees with these lessons. |
| The project completion report (PCR) identified the following four lessons from the project: (i) the limited availability and capacity of contractors, (ii) the length of time for preparing consultancy terms of reference and actual implementation was quite long, (iii) the increase in prices of materials, and (iv) the project employed the same standard documentation requirements for safeguards for large or small-scale projects. All of these can be considered normal project implementation issues.  Implementing a project with a large number of road subprojects together, with a capacity building component, would strain implementing agency staff resources and divide their attention among components. The capacity building component should have preceded the loan through a technical assistance grant. |
| The validation concurs with the lessons outlined in the project completion report (PCR), particularly on community empowerment. The project experiences highlighted the complex process of community empowerment, which involves some rebalancing of power between citizens and government and among community groups. Community facilitators need to be carefully selected and trained. In retrospect, the project would have benefited from more time for community dialogue and learning accompanied by systematic monitoring to ensure that (i) beneficiaries are involved in all stages of planning and implementation, and (ii) the community actually perceives their growing influence over resource and investment decisions. Participation can be further promoted using a simpler funds-flow mechanism (e.g., direct transfers to community accounts) and by facilitating both the organizational and technical aspects of the civil works. Public trust of managers and/or decision makers also needs to be built. All village administrations should publicly post information on budgets and contracts and procurement decisions. Further technical training and more community dialogue are needed to form workable operation and maintenance plans. Insufficient time or attention was given on these toward the end of the project. The project could have benefited from a longer implementation period.  On the positive side, the project reinforced growing evidence that community-driven development (CDD) approaches deliver investments that greatly impact beneficiaries in a cost-effective manner. Transparent decision making and procurement and more audits helped keep costs low. This is presumably applicable to situations where it was feasible and economical for beneficiaries to observe project activities. |
| The project completion repoert (PCR) provided two lessons from the implementation experience. It suggested that ADB extend the services of the procurement consultant financed under the project preparatory technical assistance project until loan consultants are fielded. The devolution of project administration responsibilities to the resident mission facilitated close working relationships between ADB staff and key Electricite? du Cambodge (EDC) officials and should benefit the implementation of future projects. This validation holds similar views and has no further lessons to offer. |
| This validation finds the lessons drawn out by the project completion report (PCR) suitable. Adopting a local interest rate anchor - such as the average weighted deposit rate (AWDR) - was not widely accepted by other development partners, which in many cases adopted fixed interest rates, often lower than prevailing market rates. Therefore, promoting a standard anchor for interest rates is needed to conform development partners' assistance to the local environment and to avoid market distortions. This validation agrees with the project completion report (PCR) findings that including a capacity development technical assistance in project design would have provided the necessary skills training, and improved the capacity of borrowing small and medium-sized enterprises (SMEs). SMEs generally suffer capacity constraints and lack skills in business development, marketing, planning, human resource management, and other business skills. Institutional support in various business aspects would make SMEs more bankable. This validation supports the PCR findings that timely disbursement is critical especially for financial intermediation loans under the project. Project administration should have given greater attention to efficient and timely disbursement to facilitate implementation. |
| This validation notes that the highway improvement component (HIC) had a realistic time frame that took account of implementation issues in Pakistan such as governance, security, and institutional capacity constraints. At loan processing, advance procurement action was even allowed to expedite implementation. There was recognition early on that the multitranche financing facility (MFF) modality being new, the borrower would have to be guided through the process. The capacity of the Pakistan Resident Mission (PRM) was enhanced to respond to client needs during implementation in constant coordination with the responsible project officer in Manila.  This validation further notes that the capability of the National Highway Authority (NHA) to use ADB processes and procedures needed to be strengthened to avoid implementation delays. These included procurement, financial reporting, and implementation of social safeguards. It is a common experience that road right-of-way acquisition and compensation was a sensitive social issue to be given priority by the government. The notice-to-proceed for contractors should be given only when they are assured of possession of the site upon resolution of all road right-of-way issues.  This validation notes that the project did not have an operational financial management system, including project performance monitoring, an essential aspect of project implementation, and results evaluation. In the future, ADB would have to prioritize and ensure that the executing agency operationalizes such a system in the early stages of project implementation. This ensures that information is collected, stored, and is accessible to authorized users, especially ADB missions. |
| The project completion report (PCR) indicated that the effectiveness of the policy reform program is ultimately determined by the capacity of the different Afghan agencies involved in carrying out the program. The validation holds a similar view. Consequently, ADB's similar institutional reform programs in Afghanistan should include a specific and realistic strategy for capacity development, taking into account the following: (i) without absorptive capacity in ministries, very little technical skills transfer will occur; (ii) sustained recourse to resident international advisors may perpetuate the dependency of decision makers on such advisors; and (iii) in the absence of specific terms of reference for international advisors, their contributions will tend to crowd out inputs provided by the learning process of local staff.  In addition, regarding program design in small, transition economies, it may be more prudent to take a gradual approach to private sector and financial market development, taking smaller slices of the development pie (financed with single-tranche loans) within a short time horizon. This should be supported by an agreed road map, matched closely with available institutional capacities, with enough flexibility for continuing review and corrective actions, and supported by required technical assistance, until such time that the country exhibits maturity of institutions, strong internal capacity, and political and economic stability.  Moreover, in conflict-affected economies, it may be more appropriate to focus reforms on (i) rebuilding capacity, (ii) institutionalizing the process of conducting sustainable reforms based on transparency and participation, and (iii) propagating good public governance principles that are likely to be more enduring. |
| The project completion report (PCR) drew out valuable lessons to ADB operations. Economic and political shocks must be taken into account when designing and implementing policy-based programs in support of capital market development. In designing institutional arrangement for finance sector oversight, the focus should be on regulatory objectives rather than regulatory architecture, which has political ramifications. The PCR also noted that strengthening finance sector governance often requires promulgating new legislation, which is outside the control of the executive branch. It indicated that ADB should support the government beyond drafting legislation, especially in sustaining stakeholder consultations until laws are enacted. This validation expects that ADB should remain engaged and provide support for sensitizing various stakeholders and help in building consensus to the reforms. The program design should appropriately take into account possible slippages depending upon the level of confidence in seeing the reforms through or adjust when adverse changes in the environment occur as in this case. |
| The project completion report (PCR) highlighted a lesson in delivering assistance wherein absorptive capacity in institutions is very limited, and noted that not much technical skills transfer will occur. It suggests that future assistance needs to focus away from introducing what is termed 'international best practice' toward one that recognizes and prioritizes capacity development to enable performance of the most fundamental public finance tasks. The validation agrees. |
| The project completion report (PCR) identified five lessons from the project that dealt with typical occurrences, which are oftentimes subject to factors outside the control of parties concerned but could be addressed through various project management procedures. Even if the project was the first ADB-assisted road project in Azerbaijan, there was already a huge depository of international institutional experience and information on the design and implementation of foreign-funded road projects that could be applied or adapted to this project. While the actual cost for the project civil works sections increased by 50%, the project still ended with unutilized loan proceeds of $9.65 million (Loan 2205) and $1.40 million (Loan 2206 [Special Funds]). These were more than sufficient to continue implementing the local roads component estimated to cost $3.8 million, of which $3.0 million was to be funded from the loan. Even with a 50% increase in cost, the local roads civil works could still have been implemented. A thorough funds disbursement analysis should have been conducted during project implementation to determine sufficiency or insufficiency of funds from all sources to finance all project components. This was not done in this case. |
| The project completion report (PCR) identified these four key lessons, which should serve as basic guidelines for succeeding projects not only in the country or in the sector but in all ADB projects: (i) understanding the sector environment in new member countries is important; (ii) use phased reform programs; (iii) use conservative cost estimates and ensure sufficient funding; and (iv) ensure the government understands the proposed project.  This validation agrees with these lessons as explained in previous sections. Due diligence is imperative. Project design concepts can be ideal, novel, and innovative but it ultimately depends on the capacity of executing and implementing agencies and their staff to implement and manage the project. Projects should be designed to fit institutional and technical capacity; financial resources; and readiness and willingness of borrower, executing agencies, and beneficiaries to accept and implement the project concept. Consultants and ADB may have the best intentions for designing best practice, top of the line project concepts but they must ensure that borrower, executing agencies, and beneficiaries concur with their ideas and understand the concepts they are espousing. |
| The validation agrees with the project completion report's (PCR) lessons learned. Project monitoring was weak in at least two respects: (i) the project did not have a clear understanding of the social and economic impact on beneficiaries of the different components and the subprojects within them; (ii) project monitoring in terms of beneficiary impact was not possible. Even if the required analysis was not available immediately, this kind of information could have been made available in the initial stages of project implementation. |
| This validation agrees with the lessons identified by the project completion report (PCR). Rapid disbursements that help maintain budget expenditures on critical social services during periods of crisis can help the poor and the vulnerable, when combined with reforms that make public spending inclusive. Loan size needs to be determined based not only on the expected budgetary financing requirement but also on the fiscal costs of reform. In addition, this validation notes some more lessons. The government's commitment to reforms to enhance accountability and transparency in use of public resources is essential for the success of social services delivery programs. The effectiveness of public expenditure can be improved by maintaining higher quality standards for services. |
| The lessons drawn by the project completion report (PCR) in ADB teamwork and better planning of vendor relocation seem very appropriate, and the first one especially important. The lesson drawn in the PCR, adding further to the load on ADB staff might better be replaced with a reference to more modern ways by which program management consultants and engineering supervision consultants can monitor and encourage contractor performance on the environmental dimensions of their work. Reference could be made, for example, to an excellent system of environmental quality monitoring of contractors, linked with small (but rising) withholdings from their monthly invoice payments until shortfalls are corrected. Consultants developed and applied the system for the Ministry of Public Works of Jordan some 4 years ago, which now has a record of proven success. |
| The project completion report (PCR) appropriately highlighted the experience with the Madhya Pradesh Road Development Corporation (MPRDC) in this case, and the merits of developing an entirely new body rather than trying to reform a long-established existing authority. The need for modernizing management of relatively small roads as part of the Public Works Department's (PWD) functions and the difficulty of bringing about this change amid the agency's many inimical traditions and practices were so great that the fresh start was probably the right solution in this case. ADB's initial road rehabilitation project offered an ideal opportunity for introducing the new institution. The PCR also highlighted lessons from the MPRDC's initial years, particularly the importance of early initiatives and sustained cooperation among the relevant public and private parties for the job. |
| Given the time lag between project completion and project completion reort (PCR) preparation, the usefulness of lessons obtained from the project's implementation would be limited. For example, delays in procurement during project implementation were traced to the confusion in applying the government's or ADB procurement rules. This had already been remedied in subsequent ADB projects by training the executing agency and Project Implementation Office (PIO) staff on ADB procurement procedures.  The cancellation and prepayment of the project loans by the executing agencies were premature and abruptly cut ADB participation in the project and in the ports subsector. This explained the delay in the preparation of the PCR and the lack of data after project completion on socio-economic impacts, among other things. Also, ADB incurred upfront costs, such as feasibility study preparation, deployment of project review missions, and related activities for the project. |
| The project completion report (PCR) identified several pertinent lessons, notably that policy reforms take time and this should be taken into account in technical assistance (TA) design. There was also a time lag between adoption of reforms and effective enforcement, which future designs should take into account; flexibility and providing sufficient time are key. Targets and expected outputs should be realistic and not be too ambitious in scale.  On the reform process side, close consultation involving the government, ADB, and other development partners is important for success, strengthening the government's ownership and increasing the potential for buy-in. Commitment of all stakeholders, regional as well as the national government, is essential. Effective coordination and information sharing are essential to successfully implement a project involving government agencies and numerous stakeholders.  Early consultant support should be provided to the executing agency to assist in the design of procurement procedures. More consideration needs to be given to procurement concerns when designing a program and project such as this involving information technology hardware and software, which require a precise and timely procurement process due to the fast- changing pace of technology and the risk of obsolescence. |
| The project completion report (PCR) offered three lessons, the first one focusing on community empowerment and slum upgrading, although the PCR does not discuss in detail how this lesson was derived from the project experience. The two other PCR lessons, that this validation endorses, relate more to the experience of this project. First, in a context of decentralization, establishing appropriate city management and monitoring arrangements is essential to supervise administrative and technical aspects and provide support to community neighborhoods. Second, covering a vast number of cities spread over almost the entire country may not be an effective way of maximizing the use of resources. Instead, a focused geographic approach would have provided flexibility for designing better social and economic benefits.  In view of these, the validation adds that - first, accurate estimates and monitoring of cost and technical parameters and reporting of them are essential for good project design, not least for calibrating the correct scale of complementary components. Work on shelter for the poor in Indonesia in this case, should take advantage of the country's long and extensive experience in this sector. Second, it is important for ADB to monitor the engagement of key project players to ensure their ownership of a project and support for its purpose and actions. The successful implementation of the shelter finance component in this case might have had a better chance with greater ADB attention to the participation of shareholder institutions. |
| The project completion report (PCR) drew valuable lessons to ADB operations. Mobilization and organization of farmers' groups and their subsequent participation in planning village-level investments helped foster a favorable climate for partnership among them, national and district governments, and nongovernment organizations. Flexibility in implementing arrangements that considered evolving social circumstances and local conditions ensured the acceptability and quality of the village subprojects. Labor contributed by farmers in completing village infrastructure and facilities not only instilled ownership and responsibility for the sustainability of these subprojects but also lowered investment costs. Empowerment of women created numerous opportunities for them to be part of the decision-making processes in their villages and substantially contributed to their household income. This validation suggests, nonetheless, that if this project is to be replicated elsewhere, (i) group mobilization, (ii) social preparation by facilitators who come from within the communities, and (iii) downloading of funds that fosters full accountability by all recipients are key ingredients that must be included in its design and format. |
| The validation concurs with the lessons put forth in the project completion report (PCR), particularly with respect to the likelihood of delays caused by an overly complex project design. Another lesson is that the appetite for outputs should be tested before a project goes for approval. In this case, there was minimal appetite for the revolving fund set up with cofinancing from the Government of the Netherlands, and for capacity-building service provider accreditation. Also, a project should be realistic about the capacity of counterparts to handle intensive procurement, according to ADB rules. In this case, procurement picked up significantly after a full-time procurement specialist was hired to support the project management office. |
| The project completion report (PCR) drew out valuable lessons to ADB operations. It noted that clarity of the project's purpose, objectives, processes and procedures, and requirements helped ensure government's commitment and focus to implement the project, and fostered partnership among donors. Early hand-holding of the local institutions on the processes and procedures in the procurement of goods and services, and the timely selection of beneficiary farms could have negated the need for the extension. The PCR also noted the many administrative tasks that could have immediately and effectively been undertaken to support project implementation if the resident mission had had more capacity to assist the project. This validation posits, nonetheless, that proper due diligence on the capacity and commitment of government partner institutions like the Chui Oblast Administration (COA) to implement components assigned to them should have been undertaken at appraisal to determine the risks and sustainability of involving them. |
| Of the lessons listed in the project completion report (PCR), the validation views as most significant those that emphasize the importance of an integrated area development approach and the 'soft' side of public interventions. Irrigation management transfer (IMT) programs are more likely to succeed if these are packaged with 'a full range of interlinked interventions, including social, organizational, financial, marketing, engineering, and agriculture extension.'  This validation, however, has reservations on the lessons relating to subproject selection. The first lesson says, 'When selecting subprojects, first, the potential beneficiaries and water user association (WUA) members must be judged regarding if they have a genuine interest in taking responsibility to accept management of the asset independently or at least with minimum government support.' The communities that have these characteristics are usually the richer ones; including this as a criterion for project selection would have an anti-equity bias. Perhaps the broader lesson in this regard is that social preparation should be incorporated in projects where active beneficiary participation is emphasized for project's success.  With regard to the lesson that 'Project supervision by the resident mission is more efficient and is preferred by the Ministry of Agriculture and Forestry (MAF),' the arrangement apparently worked on this project. The advantages of having the resident mission supervise a project are easy to see. With this approach, however, liaising with the MAF and Department of Irrigation (DOI) becomes easier. |
| This validation agrees with the lessons described in the project completion report (PCR) and in particular notes the vulnerability and sustainability of the project's achievements. It is clear that the economic viability of the 33 subprojects would be compromised by either an extreme increase in construction costs or a sharp drop in the rice price, or heavy rain damage as in 2008.  It is also emphasized that project targets aimed at including vulnerable groups (women and ethnic groups) should be based on a thorough understanding of realities and local institutional capacity. In the project's gender action plan, the goal of reducing rice deficits was to be achieved by having women constitute 50% of farmers. Since rural women, by tradition, are fully active in farming, the 50% target was irrelevant. Moreover, there was no logical link between rice deficits and the number of female farmers.  The PCR noted that while world rice prices are beyond the control of any project, the importance of applying strict cost-effectiveness criteria in subproject selection is an important lesson learned. Similarly, the estimation of with-project incremental command areas needs to be conservative and recognized that considerable time may be required for farmers to complete all on-farm developments. |
| The project completion report (PCR) provided some significant lessons that should be applied in similar adjustment programs in the future. While these lessons are not new for adjustment lending, they are worth summarizing here. While those listed in the lessons section of the PCR cover implementation, an earlier section in the PCR refers to lessons in design: (i) continuous policy dialogue and policy development are important for sustaining reforms; (ii) institutional development and engagement of stakeholders are necessary for policy development, which a focused technical assistance (TA) can provide; (iii) the design of policy-based programs should reflect the capacity of the executing agency and other implementing agencies; (iv) design should be based on an assessment of the economic, social, and political environment of planned reform agenda; (v) detailed analytical work should be the basis of reform agenda; and (vi) the reform agenda should be flexible to cope with emerging changes. |
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| The project completion report (PCR) drew out valuable lessons to support ADB's operations. These included the importance of community participation to enhance project ownership, strengthening core capacities of institutions, and speeding up of project progress due to decentralized approach. This validation agrees with all the lessons identified by the PCR. |
| The project completion report (PCR) drew out valuable lessons. Projects involving information and communication technology (ICT) tend to be complex and require more scrutiny. These projects could not be treated the same way as other infrastructure projects such as roads, ports, or airports where a large amount of expertise is already available. Project design would require knowledge and skills that are abundantly available only in the private sector. The regulatory environment for ICT projects is technical and requires knowledge on a mix of legal, technical, and economic fields. Project design should adequately consider the local situation, including sector development status, regulatory framework, and local capacity for implementing the project and absorbing the new technology. Project implementation could have involved external consultants, contractors, and local experts to avoid transitional issues. The validation finds these lessons appropriate. |
| The project completion report (PCR) has identified some useful lessons. Some of these are general while others are specific to the project. This validation concurs with these lessons and supports them. |
| The project completion report (PCR) drew out valuable lessons from project experience. The most important lesson pertained to issues that needed to be resolved, if possible, before launching multicountry agencies that provide services to all the countries in a region. These included the importance of obtaining long-term funding, and capacity building especially in terms of developing regional expertise in the use of best-practice systems. The PCR also highlighted the need for strong management and strategic thinking when it comes to building a sound and viable institution. This validation suggests the need for extra effort focused on project preparation, especially in conducting sufficient assessment of the prospects for strategy and policy harmonization in areas that could potentially gain from collective action and regional cooperation. |
| This validation agrees with the lessons identified in the project completion report (PCR). The validation stresses that rigorous and fast-paced monitoring and evaluation, which is well suited to the implementation arrangements, is critical in urgently needed and large programs like this one, hence, it needs emphasis in the design of such programs. |
| Undertaking policy reform requires a champion within the government system. Without adequate political backing, reforms are likely to flounder as the delay in implementation of the program and its subsequent turnaround exemplified. Complex projects such as this require consistent and close follow-up and coordination among the involved government agencies and departments and offices within ADB. It would be more catalytic and demonstrational if the setting up of policies, systems, and procedures were accompanied by the development of pilot projects especially in local government. Technical assistance can be better targeted and made more efficient if support needed during implementation at different stages and levels can be identified upfront. A program administration memorandum would have been useful. |
| This validation agrees with the identified lessons and adds three more. First, although one of the key features of project design was that urban projects need an integrated approach and infrastructure alone cannot result in improved services, unless capacities, resources, and systems are in place to sustainably deliver these services - the project design failed to ensure that all project stakeholders shared this view and were committed to it. Stakeholder analysis and ways to ensure the commitment of stakeholders to project design initiatives is thus recommended. Second, project monitoring should be close enough to identify if key project design assumptions are being put at risk (such as when the Local Government and Rural Development Department (LGRDD), through the project coordination office (PCO), became the executing agency of the project), and if consequent shifts in project direction are likely (such as when PCO management was taken over by staff members deputed from the Housing, Urban Development and Public Health Engineering Department and focus was shifted toward infrastructure investments), and to avoid the shift in direction unless all parties agree to it. Third, project-specific benefit monitoring data need to be available to ensure project effectiveness through the evaluation of project performance. Total reliance on secondary data is not adequate. |
| This validation agrees with the project completion report (PCR) that a multisector development project covering multiple districts must have the following features: (i) the executing agency must have the essential mandate; (ii) the project needs to have a decentralized project management model; (iii) flexible and demand-driven design of interventions; (iv) flexibility in loan extension and responsiveness to security issues and natural disasters; (v) dedicated sub-account for district governments; and (vi) a project management system designed at appraisal. The incorporation in the design of a demand-driven approach for targeting the poor and ensuring sustainability, and the promotion of small and affordable technologies in villages were appropriate in addressing the development issues identified in the barani areas. |
| Based on what transpired during the project's life, seven key lessons valuable to both the borrower and to ADB were drawn out in the project completion report (PCR). This validation is in conformity with the PCR that implementation delays and changes in scope could be averted by (i) adopting a sector approach to enhance simplicity and effectiveness; (ii) organizing a strong project management office (PMO) that is detached from the executing agency; (iii) training in-house of contracted staff of the implementing agency for social mobilization rather than contracting an outside entity to be more sustainable; (iv) allocating longer lead time for activities that require complex legal and administrative actions; (v) regularly reviewing and updating the design and monitoring framework to aid in monitoring; (vi) designing a credit facility based on market demand; and (vii) properly regulating community-based enterprises to promote sustainable and profitable businesses. This validation further adds that any conduit institution for a credit facility needs to undergo a thorough due diligence in terms of its lending policies and procedures, and that key players (i.e., National Development Bank/NDB and National Development Trust Fund/NDTF) must be required to participate in stakeholder consultations so that a credit facility can be designed realistically based on market demand and actual experiences of lending agencies. |
| This validation agrees with the lessons identified in the project completion report (PCR). In addition, it is noted that the project analysis tended to focus on supply-side interventions with inadequate attention to the demand side. The assumptions and risks identified in project design mention the assumption that external degree students will recognize the quality and convenience of DEPP distance learning, but all other assumptions and risks focus on supply-side issues. In a market intervention of this kind, both supply and demand need equal attention. |
| The project completion report (PCR) identified five lessons: (i) partial rehabilitation of irrigation systems is less effective than complete rehabilitation; (ii) infrastructure rehabilitation projects dispersed over a broad geographic area are harder to implement and have higher administrative burdens and management costs than more regionally concentrated projects; (iii) there is a high project administration burden associated with a large number of civil works and equipment contracts; (iv) improving on-farm agricultural productivity is important for project efficiency and sustainability; and (v) the Ministry of Water Resources and Land Reclamation (MWRLR) did not have the expertise to deliver the output of improved agricultural technologies.  The validation agrees with these important lessons. Moreover, given the implementation shortfalls of this project, it also puts forward another lesson - regular monitoring, reappraisal, and redesign are often critical for project success and need to be built meaningfully into ADB's project management processes. This project would have been considerably more successful if ADB had monitored and supported it more intensely. |
| This validation highlights the following project completion report (PCR) lessons as being particularly pertinent to the experience of this project:  (i) Project management unit/project implementation unit (PMU/PIU) staffing should be assured, at the outset, with salaries at prevailing market rates to attract and retain high quality international professionals.  (ii) PMU/PIU funding should be assured at the outset, with adequate initial allocations of counterpart funding.  (iii) Where local contractors are short on some technologies needed for project success, as was the case for building watertight structures for this project, and bidding has to be international, the contract should require that the winner trains local personnel in the techniques identified as having been in short supply locally.  (iv) Including a consultancy for a resettlement specialist should be considered essential in countries or regions that are unfamiliar with ADB's policy on involuntary resettlement. |
| The validation agrees with the lessons identified in the project completion report (PCR), i.e., that alignment with regional strategies was not sufficient for judging country capacity or its absorptive capacity. Improving HIV/AIDS surveillance is not straightforward when existing health-related surveillance systems and laboratory services are weak. Moreover, as this was the first ADB project to be implemented by the Secretariat of the Pacific Community (SPC), ADB should have provided closer supervision and training. Monitoring and evaluation (M&E) capacity is limited in the Pacific especially approaches to impact evaluation.  Given that multiple streams of funding for HIV/AIDS were already available, it may have been more efficient for ADB to work in partnership with another donor who had more experience and technical expertise in HIV/AIDS.  In addition, support to HIV/AIDs should have been considered relative to other health issues in the Pacific. At the time of project design it would have been interesting to know what the main causes of death in the Pacific were, and where AIDS stood in relation to these. |
| While the project completion report (PCR) identified five lessons from the implementation of the project, existing practices to address the issues were already identified. In one instance, the problem was recognized from the beginning, as in the lack of capacity in using the ADB system in the procurement of consultants, for which the Ministry of Transport and Communications (MOTC) and Armenian Roads Directorate (ARD) have sought timely assistance. In the case of contingencies, the increase in cost was so significant that current methods for estimating contingency requirements would not be sufficient.  The validation identified two lessons from the project, as follows: (i) The skills in project management of the executing and implementing agencies' staff, including the management of consultants, needs to be upgraded. Considering that this was the first ADB loan for the transport sector in Armenia, the agencies were not familiar with ADB policies, systems, and requirements and would need to have sufficient capacity development in these particular skills; and (ii) The MOTC and ARD should give importance in operationalizing the PPMS, which seems to have been overlooked. The measurement of impacts and outcomes was not given due importance and the quality of the PCR report suffered. For example, the conduct of the traffic surveys was insufficient and the results were conflicting. No explanation was given as to why the post-construction traffic deviated from the forecast. |
| The project completion report (PCR) identified six lessons concerning (i) executing agencies' in-house capability, (ii) timely acquisition of land, (iii) advance action, (iv) onlending facilities, (v) setting loan covenants during project design, and (vi) ensuring supervision services. The validation agrees with the PCR on these lessons, especially on the importance of building in-house capability in project preparation and implementation as this will lessen dependence on consultants. Moreover, acquisition of land early on and advance actions on contracts were appropriate in avoiding unnecessary delays and in facilitating project implementation. |
| The project completion report (PCR) identified three appropriate project-specific lessons concerning the need for (i) a project implementation office at the Rural Electrification Board (REB) to help improve data collection, (ii) agreed principles on asset valuation, and (iii) a rationalized tariff structure. The validation agrees with the PCR on these three lessons, especially on the tariff structure as this would help provide adequate margins to the Ashuganj Power Station Company (APSCL) and the West Zone Power Distribution Company (WZPDCL). These could enable the entities in meeting future financial obligations. |
| The project completion report (PCR) cited and this validation agrees that project readiness could have been improved by enhancing the capacity of executing and implementing agencies in ADB procurement and financial procedures. Given the regular government system that staff was used to, confusion occurred with the concurrent addition of another procedure. While ADB provided capacity building, there should be more hands-on intervention with on-site coaching during the early stages of project implementation. In the case of Viet Nam, the executing agencies were the two provincial people's committees, which were not familiar with and had no experience in implementing ADB projects. The situation worsened when they were subsequently given responsibility for implementing part B, which led to problems in coordinating consultant inputs.  The pre-feasibility study that prepared the project design and appraised the viability of the subprojects had quality issues, given that two airport projects in Cambodia were cancelled due to poor market viability, the airport project in the Lao PDR had to be redesigned due to the need to expand scope, the site for the wastewater treatment plant (WWTP) in Siem Reap was not firmed up and substantial time was wasted looking for an alternative site, and others. These suggested that the governments and ADB should conduct a more detailed review of the studies to confirm soundness of assumptions and results. |
| The project completion report (PCR) cited the following as lessons of this project: (i) the continuing need to enhance the capacity of state governments to develop bankable projects; (ii) that ADB must carefully evaluate the safeguards compliance and monitoring capacity of intermediaries and take steps to improve where needed; (iii) that ADB should move safeguards compliance resources closer to projects and get them involved earlier in the project development cycle; (iv) that ADB should coordinate more closely in India those resettlement matters with land acquisition functions of local authorities (as land acquisition may not be handled well by the financial intermediary); and (v) that ADB should be more careful and critical with regard to demand risk, traffic projections, and others, and/or look to structure with annuities. This validation concurs with those observations, and adds a cautionary note on the effectiveness and efficiency of project designs that attempt to combine program loans to promote public-private partnership (PPP) environment and capital markets development with project finance facilities to invest in specific projects, particularly when they involve wholesale loans to financial institution intermediaries. |
| The project completion report (PCR) identified six lessons for subproject design and implementation in Indonesia. This validation found that some of these were already corrected by standard practices, such as estimates for physical and price contingencies, and conduct of geotechnical surveys in the process of road design, which were assumed to have been done. At appraisal, it was already anticipated that the procurement process would delay project implementation, hence, ADB concurred to advance corresponding action.  This validation identifies several important lessons from the project. First, more in-depth involvement by the borrower, executing agency, and implementing agencies in the preparation of the project design is important. The cancellation during the implementation of two subcomponents, which were essential to project sustainability, seemed too late since resources have already been committed. Agreeing to the changes should have triggered the revision of the design and monitoring framework (DMF). Second, the procurement process for consultancy services and civil works was too long in spite of approval by ADB to advance corresponding action. ADB and the executing agency should have agreed on the length of the procurement process, which was already set in the ADB procurement guidelines. The delay in the core team consultant (CTC) procurement led to national consultants being tapped to proceed with the project and avoid delays. While not apparent, this could have led to shortcuts in road design being taken, such as the absence of geotechnical studies in road sections with difficult terrain and soil conditions. Third, a project performance monitoring system (PPMS) was not required, since an existing system was already in place at Directorate General of Highways (DGH). However, ADB did require the conduct of surveys and collection of data for specific performance indicators identified at appraisal, which should have been finalized during the early stage of project implementation. |
| The project completion report (PCR) provided eight lessons that covered the areas of island selection, utility management, regional utility companies (RUCs), capacity of the Ministry of Atolls Administration (MAA), communications, project management, ADB supervision, and systemic challenges with outer islands. This validation finds that the PCR adequately addressed all of the lessons to be learned on the outer islands electrification project and endorses those lessons. It also notes that most of the problems on the project and addressed in the lessons relate to issues that should be normal in the planning and implementation of a project. |
| The project completion report (PCR) identified four lessons, summarized below, which this validation fully endorses. On procurement, strict adherence to bidding processes and the engagement of an experienced procurement agent is a key factor in facilitating efficient process. On counterpart financing, timely availability of all funding is key to smooth project implementation and early project commissioning. On carbon revenue, the project was successfully registered as a clean development mechanism (CDM) project and served as a successful demonstration project for other clean energy developers in the region. On social development, the good practices of the project on social issues paid off in a good relationship with the local community. In addition to the lessons presented by the PCR, this validation provides one additional lesson. The PCR stated that 'Before the project, few people left their communities in search of jobs. Now most young people do, and over 30% of migrants are female.' From this statement, it appears that development projects can influence local people in work principles and have a significant benefit on local communities at little cost. |
| The project completion report (PCR) identified three lessons, pertaining to the timing of a program, minimizing the number of legislative actions, and providing incentives on institutional strengthening. Specifically, it is vital that ADB should be aware of potential changes in a country's political environment that could affect program implementation. Also, minimizing the number of legislative initiatives could minimize implementation. During the program design stage, providing appropriate incentives for institutional strengthening and ownership could help improve operational management of concerned entities. The validation generally agrees with these lessons. |
| This validation agrees with the lesson stated in the project completion report (PCR) on complexity of program design and timing of implementation. Additional lessons can be drawn from program implementation. First, government commitment and buy-in is important in a reform program such as Rural Finance Sector Development Program. There should have been strong commitment of the government and stakeholders to develop the sector and achieve sustainable rural finance. Second, adequate assessment of institutional capacity of implementing agencies at formulation would have been needed to effectively address constraints. Third, in the context of Sri Lanka where the areas of reform are complex, the use of a sequenced approach to reforms would have been more appropriate. |
| The project completion report (PCR) identified 13 lessons, all of which are agreed by this validation. In view of project implementation events, this validation particularly agrees that along with consultations related to project formulation and design, consultation with participating towns on cost recovery, tariffs, and user charges is crucial for sustainability. |
| This validation agrees with the project completion report (PCR) on lessons learned, especially in pointing out that (i) project targets should be achievable, (ii) measures ensuring government commitment to implement institutional development and in providing counterpart funds should be carefully reviewed and tied to the release of funds, (iii) detailed design engineers and supervision and implementation consultants should be recruited in advance of project approval to increase project readiness, (iv) the project implementation schedule should be realistic, and (iv) delayed payments to contractors adversely affect implementation. |
| This validation agrees with the lessons identified in the project completion report (PCR). |
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| The project completion report (PCR) drew out seven key lessons valuable to both the borrower and ADB operations. This validation concurs with the PCR when it noted that implementation delays and loan reallocation could not have ensued and the two loan extensions could have been negated if the following were undertaken early on during project preparation or implementation: (i) participation of beneficiaries at an early stage of subproject preparation; (ii) realistic assessment of beneficiary equity contributions; (iii) adequate and accurate technical data gathering; (iv) thorough assessment of the partner local government units' (LGUs) fiscal position, and human and financial resources; (v) capacity building on procurement and bid evaluation for LGU partners; (vi) proper due diligence on the technical capacity, resource capability, and commitment of government partner institutions to implement components assigned to them to determine the risks and sustainability of involving them; and (vii) coordinated provision to beneficiaries of technical support along with input supplies, such as farm credit. |
| The project completion report (PCR) identified four lessons to which this validation agrees with. These lessons pointed out that (i) the cluster leader schools (CLS) model with decentralized training cascade is an effective model for continuous professional development training; (ii) e-learning is for both teachers and students and requires new pedagogical skills, which is an important transition from teacher-centered to student-centered pedagogy; (iii) smooth implementation and efficient procurement and consultant engagement could have been improved if there was an in-depth assessment of the procurement capacity of the project implementation unit (PIU) and the executing agency; and (iv) without timely monitoring and evaluation, an opportunity to demonstrate improved sector performance was missed.  This validation offers two additional lessons. First, the project design should have focused primarily on components 1 and 2, and only those parts of components 3 and 4 that were doable, by taking into account the capacity of the executing agency in implementing these components. A more accurate assessment of its capacity should have been conducted at project preparation stage. Second, the project's main objective is to improve the quality, relevance, and equitable access to basic education in Uzbekistan by using information and communications technology (ICT). However, the report and recommendation of the president (RRP) and the PCR had limited discussions on this main objective, presumably because the project was being implemented alongside other projects in the education sector. Notwithstanding, achieving an enhanced access and higher quality of basic education was an essential accomplishment of the project that should have been highlighted. |
| The project completion report (PCR) identified a number of lessons related to (i) the positive features of the approach used to select project beneficiaries; (ii) the executing agency's weak capacity for procurement that should have been identified during project preparation; and (iii) the serious implementation difficulties, which were caused by the government's procurement procedures.  This validation supports the above lessons but would like to add another crucial lesson. This relates to the baseline data that was missing in the project. The lack of basic data as the benchmark for evaluation has caused difficulties in assessing the project's achievements; hence, the evaluation was mainly based on qualitative data. |
| The validation highlights three important lessons from the project completion report (PCR). First, to help avoid serious delays during implementation as with this operation, project preparation must (i) ensure that a request to propose consulting services is ready, (ii) approve all advanced actions for procurement of consulting contracts to be able to field consultants early during implementation, (iii) ensure that feasibility studies will be ready for government approval early on, and (iv) prepare tender documents for the first contract package. Second, to attract and retain the high quality professional staff needed to ensure the timely and continuous implementation of a project to its successful completion, the project management unit (PMU) and project implementation units (PIUs) must be able to offer competitive market compensation to interested and qualified candidates. Project implementation in this case suffered because of the poor capacity of the staff of these units. Third, especially when implementation is proving difficult, the project midterm review should be seized as an opportunity, within its budget envelope, to thoroughly review the project's scope and the realism of its implementation schedule. Another lesson, not brought out by the PCR, is the need of a project of this kind to pay attention to broader issues of water resource management.  Other PCR lessons that are obvious and well-known are needing to reduce implementation delays and ensuring that water supply networks have raw water to distribute and uninterrupted power to pump it. In addition to these lessons, the validation points out that the decision by ADB to waive an appraisal mission should not be taken lightly. In this case, the lack of an appraisal mission may have contributed to insufficient attention to both key aspects of project design and to ensuring borrower ownership. Also, without proper monitoring and evaluation with baseline data, targets, and reported results, the achievement of intended public health impacts by a project like this might occur but will be impossible to demonstrate. |
| The project completion report (PCR) noted that at government levels (Sindh and City District Government of Karachi or CDGK), there was a systematic avoidance to tackle various governance and institutional issues, and to address reforms required for responding to these challenges. ADB, the Government of Sindh, and the CDGK should have been far more insistent at the outset of the project on issues related to critical reform and governance than was the case in this project.  The design could have responded to the lack of consensus by encouraging early and committed buy-in through a step-by-step enlarging of the scope of urban development issues starting with the more manageable small components. In a context where lack of commitment by the borrower (and multiple stakeholders) is a known high risk, complex projects should be avoided - projects with a small number of stakeholders and with only one reform agenda would have more chances of success.  ADB should carefully examine the incentives of the executing and implementing agencies in utilizing technical assistance (TA) resources. It may be noted that other TA loans in Pakistan have been fully utilized.  In designing projects where lack of commitment is a high risk, a further lesson to be noted by project designers is making sure that the risk is mitigated and mitigation measures are implemented effectively, most especially when the lack of commitment is a high risk. |
| This validation agrees with the lessons learned, particularly with the project completion report (PCR) assessment of the wastewater tariff. It is noted that the delay in the tariff increase was not only due to lack of support from relevant government agencies, but mainly because of the Wuhan municipal government's (WMG) concerns on social instabilities caused by inflation and overall prices increases in recent years. This is important to note if the cost recovery policy dialogue is to be further strengthened. |
| This validation agrees with the project completion report's (PCR) four major lessons to be learned from the project that underline the following:  (i) The potential effects of Tuvalu's weak implementation capacity were underestimated. Conducting a realistic and comprehensive assessment of capacity during project preparation is very important.   (ii) Close involvement of ADB staff in project implementation is crucial and resources should be provided for this.   (iii) Fundamental changes in procurement methods can cause implementation problems, especially when the implementation capacity of the recipient is weak.  (iv) For Tuvalu, seafaring has significant effects on the income and well-being of a large section of the population, including the poor. However, the government did not provide support and attention to this - mainly due to the high turnover of government and project staff. This situation compounded the issue of weak implementing capacity. The poorly developed accountability and governance frameworks in small Pacific island developing member countries such as Tuvalu should be taken into account when designing and preparing future projects. |
| The project completion report (PCR) drew out six key lessons valuable to both the borrower and ADB operations. Implementation delays could not have occurred and loan extension could have been avoided if the following were undertaken early on during project preparation or implementation: (i) identification and deployment of qualified personnel, (ii) immediate settlement of land disputes, (iii) adequate consultations with local stakeholders in market site selection, (iv) a thorough needs assessment of project components, (v) design of post-project monitoring and evaluation systems to ensure sustainability of project impacts, and (vi) careful selection of partner nongovernment organizations (NGOs). Thus, it is clear that proper due diligence and risk assessments were wanting in project design and as a consequence, the project (i) partnered with technically ill-equipped credit conduits and government agencies, (ii) implemented onlending with undercapitalized agribusiness enterprises, (iii) hastily constructed markets, and (iv) failed to ascertain the ownership status of market sites. |
| This validation agrees with the project completion report (PCR) that proper sequencing and program readiness are essential to success. The program and technical assistance (TA) loans were implemented simultaneously. Hence, delays in the restructuring component of the TA loan resulted in the delay of the second tranche release and realization of the rationalized government support to the small and medium-sized enterprise (SME) sector. This validation agrees with the PCR that a two-step approach could have been more appropriate - by first having the TA loan, preparing the outputs needed, and subsequently having the program loan implement the recommendations of the TA loan. This could have better prepared the program for implementation. This validation also concurs with the PCR that strict compliance with the requirements in recruiting consultants, as specified in the report and recommendation of the president (RRP), should be followed to avoid delays. Extra effort should have been devoted to ensure the conduct of a survey, especially on employment data, in time for a PCR reporting. |
| A number of lessons had been drawn from the program, as follows: (i) proper matching of the scope and time frame in implementing proposed reforms with assessed institutional capacity; (ii) link appropriately expected consequences of proposed reforms with expected impact and outcomes; (iii) in complex, time-bound programs, early response and timely corrective action is critical; (iv) technical assistance (TA) support should consider carefully the nature and extent of proposed policy reforms and the capacity of the implementing agencies; (v) ADB should also strengthen its internal capacity for rendering policy advice and not simply rely on consultants, and provide adequate budget to support supervision needs, including provision of staff incentives.  This validation supports these views. In addition, particularly among small, transition economies, it may be more prudent to take a gradual approach to financial market development, taking small slices of the development pie within a development continuum supported by an agreed road map, within a short time frame, with enough flexibility for continuing review and taking of corrective actions, and supported by technical assistance until such time as the country exhibits maturity of institutions, strong internal capacity, and political and economic stability. |
| The lessons stated in the project completion report (PCR) on the timing of the program and on the release of loan tranches are sound. The program was implemented during a challenging political transition from monarchial to parliamentary system. Thus, certain legislative actions, such as the Microfinance Act, could not be achieved. The release of the loan tranches could have been back loaded to give more incentive for authorities to obtain the necessary legislative approvals. These lessons could have been anticipated and incorporated in the program design. |
| This validation finds the lessons pointed out by the project completion report (PCR) suitable. Program readiness is important for a sector development program that has multiple components and expected outcomes. More rigorous program monitoring and supervision by ADB could have resulted in better outcomes particularly for the Business Services Support Facility (BSSF). In addition to these lessons, this validation notes the importance of a strong commitment and ownership of the government to a reform and capacity building program such as the Small and Medium Enterprise Sector Development Program (SMESDP). |
| The project completion report (PCR) drew out valuable lessons for ADB's operations. Clarity of the project's purpose and objectives and enhanced processes and procedures helped ensure government's commitment and focus to implement the project, and fostered unexpected effective coordination among multiple executing agencies despite a virtually dysfunctional project steering committee (PSC). This validation holds a similar view with that of the PCR's that in a similar situation where the establishment of a PSC is a condition precedent, a working group directly reporting to the PSC and comprising of officials directly involved in project supervision may be a must to ensure timely inter-ministry and/or provincial government communication and coordination. Receptivity to change and prompt implementation of the recommended reforms in flood control and management system clearly present themselves as decisive lessons learned in the design and implementation of this project. There is, nonetheless, a need to undertake prior and proper due diligence on the technical capacity, resource capability, and commitment of government partner institutions to implement components assigned to them to determine the risks and sustainability of involving them. |
| The project completion report (PCR) derived some useful lessons from the implementation of the project. This validation finds them useful and concurs with these. More specifically, the PCR suggests a holistic approach to education development. This validation concurs with this as the Education Sector Reform Project (ESRP) missed the opportunity to making education system in Tajikistan affordable. It is further noted that immediately after the midterm review, ADB was not able to field loan review missions. As a result, much of the project was implemented without the benefit of ADB's advice. This can be detrimental especially for a new borrower and executing/implementing agency, which should have been avoided. |
| 1. The project design did not have an adequate analytic base that should have included an assessment of stakeholders and their capacities, and provisions for alignment due to changes introduced by the LGO 2001.    project cycle stage: Design, Feasibility    Lesson Topics:   Project Design: Project design  Sector Related Issues: Urban sector/development  Sector Related Issues: Water resource management    2. Previous project and/or sector experience in Pakistan was not internalized and reflected in the designï¿½the risk of underestimating capacity constraints could have been mitigated with a risk management strategy.    project cycle stage: Design    Lesson Topics:   Project Design: Project design  Project Management: Risks/Risk management  Capacity Development: Capacity assessment    3. Supervision missions must flag projects that are in danger of slippage before it is too late to modify the project.    project cycle stage: Implementation    Lesson Topics:       4. Project monitoring and evaluation systems require sets of measurable indicators and associated targets so that corrective measures can be implemented in time to achieve the project's outcome.     project cycle stage: Implementation    Lesson Topics:   Monitoring & Evaluation: Indicators  Monitoring & Evaluation: Monitoring and evaluation |
| This validation agrees with the identified lessons learned. In particular, the project design for certain parts of the country where access to subproject sites may be difficult should consider clustering based on geographic contiguity and similarity in order to improve the efficiency of implementation, monitoring, and supervision.  If project design includes the extensive use of nongovernment organizations (NGOs) as a major means of project implementation, their availability and capacity to undertake the role will need more careful consideration. As noted in the project completion report (PCR), if capacity is considered inadequate, time should be allowed for the orientation and training of the NGOs and/or implementers. |
| The project completion report (PCR) generated several lessons from project experience. The validation suggests highlighting two important lessons from the positive experience with this loan. First, using a technical assistance (TA) loan for project preparation instead of wrapping that stage into a loan for the investment project did save significantly on commitment charges to the borrower and may well have accelerated overall achievement of the eventual project. To get the best results from this formula, it is important to limit the coverage of the TA loan to support for the actions or documents needed for the first year or 2 years of project implementation. Second, it can be very useful and not excessively costly to have the final detailed design of a complex project subjected to review by an independent design appraisal consultant as was required by the Vietnamese government for this case.  There are limits to what could be done during preparation for the highway upgrade project which itself will likely experience some difficulty during the early years of commercial operation. Several aspects of the ensuing project, which justify some concern at the time of TA loan implementation, relate to (i) the importance of financial sustainability of the expressway and of Viet Nam Expressway Corporation (VEC) more generally - for maintenance of the road, management of operations, and fulfillment of debt-service obligations; (ii) the extent to which environmental impact assessment prepared under the TA loan has in practice proven satisfactory; and (iii) whether the plans for mitigation of social side effects and for development of new livelihoods have proven adequate and feasible. |
| The extended annual review report (XARR) combined the issues, lessons, and recommendations. The main points discussed were the following: (i) the idea of creating an apex fund to seed 10 state-level funds was not successful and this could have been subjected to greater scrutiny during appraisal; (ii) the fund manager should have been given the flexibility to draw down the capital of the fund in accordance with its investment needs rather than at four pre-determined capital calls as this resulted in misallocation of resources; and (iii) the fund's investment in smaller companies did not perform well and this underscores the necessity of having rigorous due diligence processes in place for any fund.  This validation agrees with the issues, lessons, and recommendations identified by the XARR. In addition, it was noted that the fund manager strayed from the original intent of the Fund to focus its investments in small and medium-sized enterprises (SMEs) and to invest in ventures with a view to taking the investee companies to the stock market. It is therefore recommended that ADB be more vigilant in monitoring and supervising fund managers of private equity funds to ensure that they adhere to the intended purposes and objectives of the Fund. |
| This validation notes the inefficient and ineffective compensation process for land resumed. It is essential that adequate compensation mechanisms are built into the project design and implemented. If this had been undertaken, it might have preempted the need for a protracted and expensive system for redressing grievances. Rapid compensation is highly desirable. If compensation is delayed, land values may increase and resettlers may no longer consider defined compensation rates to be adequate. [Main text, para. 24]    project cycle stage: Design, Implementation    Lesson Topics:   Crosscutting Issues/Themes: Resettlement  Project Design: Project design |
| A lesson from project implementation is that special measures need to be taken with respect to timing, cost estimations, and availability of contractors in a difficult conflict environment. Lessons learned from the resettlement component needed to be included. [Main text, para. 22]    project cycle stage: Feasibility, Implementation    Lesson Topics:   Crosscutting Issues/Themes: Resettlement  Project Design: Project design  Country Context: Conflict/Post-conflict |
| 1. Poverty intervention projects such as the project need to be clear on the mechanisms for ensuring participation of the poor. [Main text, para. 32(i)]    project cycle stage: Design, Implementation    Lesson Topics:   Finance & Financial Aspects: Financing  Sector Related Issues: Industry and Trade  Methodologies/Approaches: Participatory approach    2. The definition of microfinance at appraisal in the context of Uzbekistan should have been given upfront to provide overall guidance in the project design. [Main text, para. 32(ii)]    project cycle stage: Design Appraisal    Lesson Topics:   Finance & Financial Aspects: Financing  Project Design: Project design  Sector Related Issues: Industry and Trade    3. The use of credit lines is not adequate in meeting long-term development needs and constraints of the sector. [Main text, para. 32(iii)]    project cycle stage: Implementation, Operation    Lesson Topics:   Finance & Financial Aspects: Financing  Sector Related Issues: Industry and Trade    4. The selection of appropriate institutions is crucial in targeting poor and low-income households. Commercial banks are constrained to reach large numbers of poor households due to inherent rigidities of bank regulations and policies. [Main text, para. 32(iv)]    project cycle stage: Implementation, Operation    Lesson Topics:   Finance & Financial Aspects: Financing  Sector Related Issues: Industry and Trade    5. Capacity building is needed in enabling institutions to reach the poor with demand driven products and services. [Main text, para. 32(v)]    project cycle stage: Implementation    Lesson Topics:   Finance & Financial Aspects: Financing  Capacity Development: Capacity building  Sector Related Issues: Industry and Trade |
| A lesson identified from this project is the need for ADB to focus more on sectors in which it has substantial experience, from which it can draw from during the relatively fast pace of processing and implementing an emergency project. Also, given limited resources, sector selectivity is important to ensure a significant impact. Moreover, emergency project designs should likewise incorporate provisions for operation and maintenance of project facilities to ensure their sustainability. [Main text, para. 30]    project cycle stage: Country Partnership Strategy    Lesson Topics:   Methodologies/Approaches: Sectoral approach  Methodologies/Approaches: Targeting |
| Careful consideration should be given as to whether a project is really qualified for processing under emergency support modalities. In this case, the time saved from rushed preparation was subsequently lost in delays and other problems in implementation. [Main text, para. 32]    project cycle stage: Design, Implementation    Lesson Topics:   Modality: Project  Country Context: Emergency |
| The requirement, under ADB's formula for sector lending, of early approval by all parties of a completed feasibility report for each ADB-supported subproject, has additional merit, at least in the People's Republic of China experience, of creating opportunity and incentive for perfecting design and introducing savings before actual implementation. [Main text, para. 27]    project cycle stage: Design, Feasibility    Lesson Topics: |
| 1. The overall design of a sector development program should be well considered to ensure that outputs will lead to the intended outcomes, and that the design is based on a realistic assessment of the government's capacity to meaningfully implement the entire reform agenda. [Main text, para. 30(a)]    <!-- project cycle stage: Design    Lesson Topics:   Project Design: Project design  Methodologies/Approaches: Sectoral approach -->    2. The adequate coordination, supported by an appropriate mix of program loan, project loan, and advisory technical assistance from ADB, is needed for the effective implementation of sector-wide approaches. [Main text, para. 30(b)]    <!-- project cycle stage: Implementation    Lesson Topics:   Modality: Program  Modality: Project  Modality: Technical Assistance  Methodologies/Approaches: Sectoral approach -->    3. Effective program loan implementation requires political stability, strong ownership and commitment on the part of the government to implement reforms in education. [Main text, para. 30(c)]    <!-- project cycle stage: Implementation    Lesson Topics:   Capacity Development: Ownership  Policy &amp; Reform: Reform  Methodologies/Approaches: Program Approach --> |
| Aid agencies need to make the criteria for their support clear to the government counterpart, while understanding why the government is seeking assistance in the first place. In the case of Danish International Development Agency (Danida), they held the funding as they wanted Technical Education and Skills Development Authority (TESDA) to (i) receive an adequate budget allocation, and (ii) seek reimbursement from Danida after spending their own budgetary resources. However, the government had a budget problem. Danida spent 2 years trying to encourage the budget allocation for TESDA, but that did not happen. Danida eventually canceled their portion after 2 years. [Main text, para. 29]    project cycle stage: Country Partnership Strategy    Lesson Topics:   Crosscutting Issues/Themes: Harmonization  Finance & Financial Aspects: Counterpart funds  Loan Agreement: Covenants  Loan Agreement: Loan Agreement |
| The primary lesson is that emergency support requires additional focus on planning and thorough preparation despite the usual time constraints. Given that conditions in such a situation are often uncertain and unreliable, project design needs to be robust to be able to deliver critical relief to the affected population. Furthermore, project management and monitoring during implementation, especially during the initial stages, is also important. This is because at these stages, more data and information on conditions become available and enable changes to be made to the design to mitigate unforeseen factors that may risk the outcome. |
| The project completion report (PCR) identified a number of lessons, and this validation agrees with them. However, many of these relate to the ad-hoc nature of the program, such as the absence of a suitable modality, limited focus for an emergency financial assistance, and the provision for a technical assistance (TA) to help in the implementation. At the same time, the external validity of these lessons is limited given the unique circumstances and context of the program. |
| The project completion report (PCR) identified lessons and highlighted the importance of acknowledging local practices, stakeholder participation, and a more realistic project schedule. The PCR's lessons section, however, focused on discussions of project design and implementation issues. Overall, this validation concurs with the stated lessons. |
| The project completion report (PCR) identified four lessons pertaining to the following: (i) early procurement action of contract packages and recruitment of consultants, (ii) the need to reduce the time in producing subproject appraisal reports; (iii) responsibility for managing low-cost water supply operations; and (iv) the cultural aspects of women working with men. This validation concurs with these lessons. |
| The lessons drawn by the project completion report (PCR) are valuable to ADB. ADB needs to seriously consider the socioeconomic and political environments in designing projects. Implementing a project in an unstable environment is not likely to yield positive outcomes. Proper timing is important in introducing a project especially when it entails a paradigm shift (i.e., from supply-led to demand- driven). The experience with this project highlighted the need for greater coordination with other donors in addressing the country's strategic development needs. There was no ownership of the government during project implementation. |
| The project completion report (PCR) has identified a number of lessons with which the present validation fully concurs. These represent many of the limitations that the Growth Recovery Support Program (GRSP) displayed. These related to inadequate design and monitoring framework (DMF), and insufficient monitoring and reporting. Improving capability in these areas is particularly important for subsequent program loans and budgetary support. |
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| This validation agrees with all the project completion report (PCR) lessons identified and would like to emphasize the following: (i) Reconstruction support should be selective and adopt a realistic time frame, with ADB focusing on areas that are unlikely to receive support from other donors.  (ii) Phasing of reconstruction assistance may be considered, clearly distinguishing the needs of initial emergency response from those of subsequent reconstruction.  (iii) Proper institutional arrangements and central coordination by one agency are essential. The effectiveness of post-disaster reconstruction depends on the willingness and collaboration of relevant government agencies.  (iv) Off-budget funded activities may expedite implementation as on-budget funded activities are constrained by the government budget cycle.  (v) Flexibility in implementation is essential, as it facilitates the design of need-based reconstruction projects through simplified documentation. |
| The project was well designed. It adopted an effective implementation arrangement under which communities, facilitated by district-level public works services and assisted by village organizers, select and design the priority infrastructures. This promoted strong ownership among the participating communities and developed their capacities for planning and development.  This validation agrees with the lessons drawn from the project. Qualified and experienced community facilitators and sufficient time for community empowerment are important to build sound and common understanding of project principles and for effective involvement of communities in the project. There should be greater focus on maintenance arrangements, which should have been incorporated in village proposals and monitored by district administrations. Public accountability mechanisms should have been put in place in project villages to prevent possible fraud and corruption. The quality of basic infrastructures constructed should have benefited from constant monitoring. |
| The project completion report (PCR) discussed five lessons that it considered relevant not only to ADB operations in Indonesia but also to operational planning in other developing member countries (DMCs). The first, on the usefulness of the program loan modality, there is no doubt that most DMCs would prefer this. But the success of this modality hinges much on the DMC's commitment to the reform program being pursued. Indonesia's case may be unique in that assistance came at the onset of a new political regime. Flexibility, however, is a constructive program attribute that benefits all parties.  The second and third lessons, donor coordination and coordination within government, are easier said than done. The Paris Declaration probably made coordination easier among donors. Within government, coordination between the main oversight agencies (Coordinating Ministry for Economic Affairs/CMEA, National Development Planning Agency/BAPPENAS, and Ministry of Finance/MOF) is not a problem, as these three agencies have been working together throughout. But as other ministries get involved, problems may arise. In the Development Policy Support Program series, for example, potential problem areas were encountered when other units of government were involved.  The fourth lesson, formulation of triggers and flexibility, may be subsumed under the first one. The last, strengthening change management capacity in government, has risks as well as opportunities. While technical support and advisory services to key agencies leading the reform process may have payoffs by way of facilitating future reform initiatives, they may backfire if other agencies not receiving such assistance feel left out of the reform process. |
| The lessons brought out by the project completion report (PCR) are valuable to ADB. A more rigorous economic assessment at appraisal on the likely environment under which the project would operate during implementation is important. This is particularly applicable to investment lending projects, which could be affected by changes in economic conditions and financial market environment. This validation views that periodic assessments of changing macroeconomic conditions could result to more informed decisions during implementation and better early warning signals.  Moreover, decisive action needs to be made on the unused portion of the loan to keep from incurring unnecessary resources and commitment fees. The PCR pointed out that project design was based on a traditional credit line modality of a public sector development finance institution. The loan structure included pricing that was not competitive.  Furthermore, strict conditions and restrictions on the loan proceeds constrained utilization of ADB's loan. Based on experience with this project, the PCR views that a public sector-type modality does not have much prospect for financing private banks and private sector enterprises, particularly in a growing economy with sizable liquidity and foreign exchange reserves. This validation agrees with this view. Small and medium-sized enterprises (SMEs) will seek the cheapest funds and the most convenient sources available. Additionally, banks will use the cheapest source of funds to finance SME investments. The PCR suggested a more viable instrument for SME promotion using ADB's credit guarantee scheme under the Partial Credit Guarantee Facility, i.e., ADB's private sector window. This facility could be extended to selected viable banks operating at the regional level to guarantee SME loan portfolios up to a certain level without a counter guarantee from the government. ADB may consider this option in similar projects faced with high liquidity and foreign currency reserves in the market. |
| The project completion report (PCR) identified important lessons, with which this validation concurs. Continued efforts to strengthen the Indonesian audit sector should benefit from such lessons. |
| The project completion report (PCR) identified several important lessons, some of which are briefly summarized below. During the period when the project was under preparation, Mongolia was undergoing significant structural changes and adjustments. This required close monitoring by ADB and interaction with the government and consultants to ensure appropriate adjustments. Similarly, loan covenants could have been flexibly crafted to encourage reforms. The very short construction season required careful, complete, and early planning. International competitive bidding was considered new in both concept and practice. Special care could have been exercised by all concerned to ensure that the international competitive bidding approach would succeed. Procedures regarding logistics, particularly for landlocked countries, need to be carefully reviewed and adjusted to help ensure efficiency. Since accounting methods and economic concepts were often different, care should be taken in preparing financial and economic evaluations. This validation agrees with these lessons. |
| The same project outcomes can often be achieved through a number of alternative training methodologies depending upon the prior qualifications of trainees. |
| The project completion report (PCR) identified several lessons regarding the following: (i) design requirements for a successful rural development project; (ii) method of selecting nongovernment organizations (NGOs); (iii) the need for technical expertise for road, water supply, and diversion schemes; and (iv) avoidance of financing subprojects by each financier. This validation concurs with these lessons. |
| The project completion report (PCR) listed a variety of actions ADB might do to avoid repeating the experience with this project: (i) have realistic objectives in project design, (ii) base capacity evaluation on a realistic analysis, (iii) adopt separate implementation arrangements for each component, (iv) ensure sustainable government support, and (v) avoid heavy reliance on consulting services. The PCR suggested that ADB consider future actions in supporting roads development in the Punjab, but these would need good preparatory actions. If the Punjab Provincial Government (PPG) does not show genuine interest in improving the weak road transport sector, it may be worth trying to find a constructive way of involving relevant federal agencies again. |
| This validation agrees with the lessons identified in the project completion report (PCR). In addition, the following lessons may be added:  (i) Quality of project management. A more effective project management could have avoided, or at least minimized much of the implementation problems related to coordination, conflict resolution, scheduling, and monitoring and reporting. The position of project manager is the bridge between the key policy and decision makers and the people involved in implementing the different activities. Thus, the selection process should ensure that the candidate is able to deal effectively with those at the top and those on the ground.  (ii) Cancellation of consultant inputs. During the feasibility study stage, the estimate of consultant inputs is based on the assessment of existing institutional capacity to carry out certain activities. In this project, about $7.2 million worth of international consultants inputs were not used. The absence of such a significant amount of international expertise could have contributed to the project's underperformance. The lesson here is that before making a decision to cancel consultant inputs, careful consideration should be taken as to its impact on project performance. |
| This validation agrees with the lessons identified by the project completion report (PCR). Project design needed to be realistic especially when the industry was still emerging and operates in a difficult environment. The capacity of institutions and constraints to the development of the sector needed to be adequately assessed at appraisal to maintain the relevance of the project and to avoid major changes in the design during implementation. In addition, core indicators on financial and social performance of participating microfinance institutions (MFIs) needed to be integrated and collected in the monitoring system of the project. |
| The validation agrees with three of the four lessons presented by the project completion report (PCR), which relate to the following: (i) alternative solutions for sludge treatment are required; (ii) enhanced overall coordination among government agencies and better technical preparation can reduce implementation delays; and (iii) with better coordination among governments, it is possible to reduce overall costs of land acquisition and resettlement even if compensation rates are increased (toward making them fair and equitable).  This validation considers the fourth lesson as stated in the PCR - recycled water-related issues and the need for the government to streamline the tariff system for recycled water - as essentially a recommendation. |
| This validation agrees with the lessons presented by the project completion report (PCR). Having a clear, transparent, and systematic poverty targeting mechanism is important in ensuring that project resources reach poor households. The project reached its target of at least 40% poor households using its targeting mechanism. The flexibility in project design helped the project respond to market changes and align its activities with the People's Republic of China's (PRC) rapid socioeconomic development. The restriction of the government in establishing a revolving fund constrained the maximum use of loan funds. Loan funds repaid were not revolved and fully used to promote agriculture development and benefit poor households by providing them with additional resources. Since then, the Ministry of Finance regulation had been revised, following ADB's discussion with the Ministry of Finance after the PCR, to allow such practice for future projects. |
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| The project completion report (PCR) identified two lessons regarding clear delineation of responsibilities of implementing agencies in the project administration memorandum and the financial capacity of pradeshiya sabhas to develop and maintain rural infrastructure. This validation concurs with these lessons. However, the validation does not agree with the PCR's claim that the responsiveness and flexibility demonstrated by the project was laudable, and the project provided a worthy example for the design and management of future projects. As pointed out earlier, changing the scope of a project during implementation as excessively as in this case cannot be considered as a good practice, even when in response to a flood. |
| The project completion report (PCR) indicated numerous lessons that could be helpful to ADB. The complexity of the design with multiple components and subcomponents and several executing agencies posed a difficulty during project implementation. ADB staff was burdened with day-to-day involvement, which limited their ability to supervise and manage the project. In hindsight, it would have been helpful if implementation systems and procedures were simplified, and if the central project office (CPO) had taken a stronger role in overseeing and coordinating the project.  The bottom-up approach to the planning process was well received in the communes and districts. Experience with the project showed that participatory planning could be effectively introduced into large, complex, and integrated projects.  Technology introduced under the project was considered valuable by the beneficiaries. However, to some extent, it was introduced without recognition of traditional knowledge and experience. Technological advancement needs to be tempered with understanding of long-held cultural beliefs and approaches. This validation agrees with the PCR's view that the introduction of new technology needs to be built on local knowledge, not to entirely replace it.  The microfinance subcomponent did not operate as planned. The Viet Nam Bank for Agriculture and Rural Development (VBARD), as a commercial lender, preferred to lend larger loan amounts to individuals than small loans to groups. Microloans were more costly to administer, which did not align with VBARD's commercial orientation. Many borrowers instead accessed their loans from the Social Policy Bank (SPB). In many districts, VBARD was not able to compete with the SPB. At appraisal, the project design should have taken into account the institutional environment for microfinance and the financing needs of targeted households.  It is important to a have an operational benefit monitoring and evaluation (BME) to be able to effectively assess project performance and impact. Executing agencies and implementing agencies should be thoroughly oriented on the importance of the BME and trained on its use. They also need to be supported in the use of the system throughout the implementation period. Baseline, midterm, and completion surveys should be systematically processed, analyzed, and reported. |
| Issues identified in the extended annual review report (XARR) included the following: (i) that DAB has passed laws and banking regulations but remains weak in enforcement and compliance, viz. collapse of Kabul Bank; (ii) that the ongoing political instability and violence in Afghanistan deter investment despite ADB's initiatives to promote investment; and (iii) that ADB's Trade Finance Program was overpriced and slow in transaction processing so the Afghanistan International Bank (AIB) used a similar but more attractive program offered by the International Finance Corporation (IFC).  The validation concurs with these issues and would also add that uncertainty remains regarding the Afghanistan private sector's overall ability to absorb credit even when available. Another uncertainty is AIB's ability to make up, through increased regular lending to private customers and investing in alternative assets overseas, for the inevitable loss of special situations of the sort (e.g. a sharp reduction in the US army deposits), which had provided AIB some measure of its financial success vis-a?-vis very wide interest spreads gained by investing idle US Army cash balances in 12+%. |
| Importance of choosing the right co-investor. The extended annual review report (XARR) gives credit to the Commonwealth Bank of Australia (CBA) as being 'instrumental and contributed tremendously in transforming the Bank of Hangzhou (BOH) into a modern and competitive city commercial bank (CCB) and stating that CBA continues to commit additional resources to grow BOH into a regional bank in the People's Republic of China (PRC).? The validation concurs and suggests that future XARRs give more detail on the contribution and activities of any such commercial co-investor, especially in the conceptual and early stages of project design and structuring.  Other issues, which could have been discussed in more detail in the XARR are the following:  (i) The reasons for ADB's failure to follow through on its commitments to provide technical assistance (other than the anti-money laundering (AML) technical assistance (TA) performed by KPMG); and  (ii) Apparent lack of any exit mechanisms negotiated in case the foreseen initial public offering (IPO) route proved impossible or protracted (as it was in this case). The Private Sector Operations Department (PSOD) should be more forward-looking in negotiating advance exit options when making equity investments, as IPOs are not always possible. |
| The extended annual review report's (XARR) project issues appear to have a weak connection to the XARR's lessons learned and recommendations.  This validation finds that connection fee revenue for the project's fiscal year 2010 is an issue for concern. With connection fees designed to capture the plus of a ?cost plus? tariff scheme, the connection fee revenue in essence represents the provider's technical and operations efficiency. Proper monitoring and supervision would have better enabled an informed understanding of the impacts associated with the lower-than-projected connection fee revenues. Monitoring and supervision are essential in assessing development impacts of private sector projects. |
| While cluster program designs provide the benefit of flexibility (i.e., deferring subprograms wherein the program design cannot be fully defined at appraisal), care must be taken to maximize the achievement of critical objectives even if ongoing subprograms are canceled. [Main text, para. 23]    project cycle stage: Design    Lesson Topics: |
| One significant lesson is the importance of monitoring the results of reform programs even after the financial closure of the program, ensuring that the government and its various implementing agencies develop a strong sense of ownership for the reform initiatives. As pointed out in para. 19, these types of small and medium enterprise reform measures would usually take much longer time to achieve real outcomes on the ground. [Main text, para. 37]    project cycle stage: Implementation    Lesson Topics:   Monitoring &amp; Evaluation: Monitoring and evaluation  Sector Related Issues: Industry and Trade |
| For regional projects, all parties should agree on uniform standards covering, in this case, vehicular movements across international boundaries. Both Thailand and the PRC have higher legal axle load limits than the Lao PDR. This creates enforcement issues on permissible axle load limits and should have been resolved early on in project preparation. [Main text, para. 28]    project cycle stage: Implementation, Operation    Lesson Topics:   Sector Related Issues: Roading  Sector Related Issues: Transport planning |
| The project completion report (PCR) drew two lessons. The first was that preparing complex turnkey bid documents during the project preparation stage could speed up procurement. This validation concurs with this lesson. The second lesson was that investment in transmission and distribution is less risky than generation and should be the focus of future investment. This lesson is questionable. The problems experienced in generation investment appear to be more related to the type of generators procured than to investment in generation assets per se. |
| This validation agrees with all the lessons provided in the PCR, but adds a sentence to two of the lessons.  For lesson (iii), it is recommended that covenant(s) to this effect should be included in the loan agreement.  For lesson (v), the plan should also include agreed actions, punitive or other, for noncompliance. |
| The practice of international joint venture partners not actively participating in the implementation of the contracts awarded was observed during project implementation. To ensure involvement of all joint venture partners in contract administration, it would be necessary for each partner to issue a guarantee against the collateral for their individual and joint liability. Issuance of individual and joint liability along with a performance bond would ensure liability for the work among all joint venture partners.  There were some difficulties in contract administration between the Department of Customs (DOC) and United Nations Conference on Trade and Development (UNCTAD). Although the contract for the Automatic System of Customs Cargo Clearance and Management (ASYCUDA) was signed between DOR and UNCTAD, DOC was the main agency to supervise UNCTAD's work. DOC felt that it was less effective in the UNCTAD contract implementation because it was not a party to the contract. Contract provisions should have clearly stated the role, responsibilities, and implementation arrangements of DOC.  The government needed to review and include interim milestone dates in the contract documents to ensure timely work completion and avoid extensions. The government also needed to institutionalize a safeguard system within the organizational framework of the project, particularly during implementation, for effective monitoring and supervision of and timely compliance with safeguard covenants.  The project-commissioned monitoring inadequately reported the actual implementation issues at field level. Third party monitoring on an annual basis would improve project performance. The reporting could be in the form of back-to-office notes that outline issues in need of attention and make recommendations. |
| The validation agrees with the lesson concerning the need to build capacity of local authorities at county level who lack sufficient expertise to successfully implement construction projects, especially when local contractors have little or no experience with the processes of international financial institutions. It also concurs on the need for mandatory site visits for all potential bidders and a brief introduction to the Fe?de?ration Internationale Des Inge?nieurs-Conseils (FIDIC) contracts given at that time. |
| This validation agrees with the lessons identified by the project completion report (PCR). The comprehensive and meticulous preparation, extensive coordination, strong political will and resolve, and sound technical capacity contributed to the project's success and efficient implementation. This validation disagrees with the PCR's suggestion that a more accurate detailed design would have helped minimize resettlement costs. The government had approved after appraisal the policy that increased compensation for resettlement. Streamlining the domestic processing system will certainly expedite project implementation. |
| 1. Data availability (of income and non-income variables at the village and district levels), costs in time and resources, and simplicity of application tend to play a greater role in determining the actual targeting mechanism used; it is therefore important to allocate resources to ensure that a project's targeting mechanism has these elements. [Main text, para. 21]    project cycle stage: Design    Lesson Topics:   Monitoring & Evaluation: Data collection and management  Methodologies/Approaches: Targeting    2. Bank Rakyat Indonesia (BRI) appreciated the presence of third-party providers of intermediation services to self-help group (given BRI's insufficient experience with non-collateralized loans). This validation notes that such intermediaries need not be government personnel because contractual field liaison officers or nongovernment organizations (with potentially better financial skills than Agency for Agricultural Human Resources Development staff) could also perform such role without posing hidden costs to government. [Main text, para. 22(i)]    project cycle stage: Design, Implementation    Lesson Topics:   Capacity Development: Ownership  Methodologies/Approaches: Consultation/Participation    3. This validation stresses the importance of inherent incentives in ensuring prompt repayment of non-collateralized loans from the perspectives of the subborrowers in making the payments and the conduit financial institution (the Bank Rakyat Indonesia in this case) in collection. [Main text, para. 22(ii)]    project cycle stage: Design, Implementation    Lesson Topics:   Finance & Financial Aspects: Financing  Finance & Financial Aspects: Funding  Sector Related Issues: Rural development    4. This validation emphasizes the significance of clarifying upfront how the reflows would be utilized through a sunset provision to give the bank an incentive to maximize repayment and minimize arrears. [Main text, para. 22(iii)]    project cycle stage: Design    Lesson Topics:   Finance & Financial Aspects: Financing  Finance & Financial Aspects: Funding  Sector Related Issues: Rural development    5. The administrative workload of implementing project activities at the district level across many provinces overwhelmed the executing agencies, resulting in delayed decision making, weak supervision of field personnel, and low sense of ownership among the beneficiaries; project activities ought to have focused on a few provinces at a time. [Main text, para. 22(iv)]    project cycle stage: Implementation    Lesson Topics:   Project Management: Project supervision  Capacity Development: Ownership  Sector Related Issues: Rural development  Methodologies/Approaches: Targeting    6. The intensive demands of such a project on ADB supervision suggest that project management should be delegated to or shared with the Indonesia Resident Mission. Given the significant requirement for consultant inputs, ADB may facilitate the government's engagement of consulting firms instead of individual consultants. [Main text, para. 22(v)]    project cycle stage: Country Partnership Strategy    Lesson Topics:   Project Management: Consultants  Project Management: Project management  Project Management: Project supervision  Other: Resident Mission |
| Relative success of the project was facilitated by: (i) Installation of project management at a very high level with the President's office as executing agency and the deputy prime minister as project coordinator. With such high level management support, the adoption of key policy recommendations and implementation of essential reform packages had a much better chance of being acted upon more quickly than if it were anchored on a weak ministry that still needed reform and strengthening.; and (ii) ADB's having frequent review missions at the initial stage, active participation in technical discussions, and prompt action on project requests, were critical factors in ensuring that the project remained responsive to recurrent and emerging needs and that implementation was on track with the project timelines. [Main text, para. 32]    project cycle stage: Design, Implementation    Lesson Topics:   Monitoring & Evaluation: Monitoring and evaluation  Project Management: Executing/Implementing agencies  Project Management: Project management |
| 1. The design of similar projects needs to be less complex, geographically contiguous, and realistic in scope given the time frame and available resources. [Main text, para. 21]    project cycle stage: Design    Lesson Topics:       2. Projects that involve active community participation and strong stakeholder ownership require adequate social preparation time. [Main text, para. 21]    project cycle stage: Design, Implementation    Lesson Topics:   Capacity Development: Ownership  Capacity Development: Partnerships  Methodologies/Approaches: Community approach  Methodologies/Approaches: Participatory approach    3. A thorough institutional capacity assessment in all areas of project implementation is needed before capacity development support can be effective. [Main text, para. 21]    project cycle stage: Implementation    Lesson Topics:   Capacity Development: Capacity assessment  Capacity Development: Capacity development |
| If the executing agency's limited relevant experience of project design and implementation is known at the outset at the project design stage (i.e., as confirmed in the risk assessment), it is necessary to design appropriate mitigation strategies. These could include the following: (i) design smaller pilot projects to gain experience before larger projects are tackled; or (ii) make significant consultant support available in the early stages of implementation to strengthen capacity and ensure timely implementation. [Main text, para. 32]    project cycle stage: Design    Lesson Topics: |
| 1. This validation adds the finding of mission reports that hospitals, Buddhist monks, employers, teachers, as well as community-based volunteerism could be tapped to influence more people to register. [Main text, para. 24]    project cycle stage: Implementation    Lesson Topics:   Country Context: Decentralization  Methodologies/Approaches: Community approach  Methodologies/Approaches: Participatory approach    2. Lesson relates the importance of securing sustained government resource support for the mobile civil registration activities (to finance supplies, transport, food, and water for registration teams) more so than project-financed allowances and incentives that affect the motivations of recipients after project completion and possibly even the enthusiasm of nonrecipients. [Main text, para. 24]    project cycle stage: Implementation, Operation    Lesson Topics:   Finance & Financial Aspects: Funding  Country Context: Decentralization |
| Program experience demonstrates that accompanying investment projects in a sector development program loan matter. ADB, in selecting the sector lending modality as a broad-based lending instrument, should give careful consideration to the choice of accompanying projects intrinsically linked with the sector performance in all its dimensions. In this instance, greater benefits could have accrued by linking research and extension to some of the allied institutions such as land tenure, land use, land distribution and classification, marketing, agricultural credit, more extensive extension training, and human resource development than to small and medium enterprises, which in the end focused substantially on nonagricultural activities. [Main text, para. 27]    project cycle stage: Design, Implementation    Lesson Topics:   Crosscutting Issues/Themes: Harmonization  Modality: Lending modality |
| Synergies between lower secondary education (LSE) curriculum development and LSE teacher training projects are important, as the new teacher training curriculum should be consistent with the LSE curriculum. [Main text, para. 30]    project cycle stage: Design    Lesson Topics:   Capacity Development: Capacity development  Sector Related Issues: Education |
| There is a need to ensure a better coordination between the sovereign and nonsovereign operations in ADB so that the two sets of operations can operate in the country in a seamless manner. This is especially important in view of the enhanced role of nonsovereign operations under Strategy 2020 in a high middle income country such as Kazakhstan. [Main text, para. 29]    project cycle stage: Implementation, Country Partnership Strategy    Lesson Topics:   Crosscutting Issues/Themes: Harmonization  Project Management: Project management |
| Pertaining to the appropriate balance between the hardware and software aspects of a development project, poor countries are rightly skeptical of borrowing only for consulting services because in the absence of the requisite infrastructure they fail to internalize outputs and derive gains from the institutional reforms in full. This affects the extent to which government ownership materializes through the course of implementation. The report and recommendation of the President summarized the lessons identified from prior financial sector reform projects on government ownership in terms of the reform agenda. [Main text, para. 33]    project cycle stage: Implementation    Lesson Topics:   Capacity Development: Ownership  Policy & Reform: Policy reforms/framework  Policy & Reform: Reform |
| Two major lessons were identified in the project completion report (PCR): (i) the need for stronger program preparation, and (ii) the need for the design to be more appropriate for local circumstances. In regard to the former, the PCR pointed out four areas where loan preparation could have been stronger, which would have enhanced program implementation and possibly reduced the delays in achieving loan effectiveness. These were the need for (i) broad consultation, awareness raising, and development of skills of key state stakeholders; (ii) assessment of individual capacities, particularly in the executive and legislative branches of government, before an accurate judgment is made of the time needed to prepare for loan effectiveness and then implement reforms; (iii) formal discussions with legislators to improve their understanding of the constraints facing the sector, thereby facilitating earlier passing of key legislation for maintaining the impetus for change in the enabling environment for private sector development (PSD); and (iv) early stakeholder and beneficiary involvement in the program preparatory process to ensure program quality and ownership that could have minimized delays (e.g., designing and approval procedures for civil works and project implementation unit/PIU staffing). This validation supports the lessons. |
| The lessons set out in the project completion report (PCR) were detailed and based on the discussion in the text, this validation supports them. However, these are lessons that have been identified many times in the past and should have been considered at the project formulation stage. In summary, the five lessons are as follows: (i) the importance of having qualified consultants and sufficient stakeholder consultations in project design, (ii) the importance of government ownership to studies produced by the project for recommendations to be implemented, (iii) the strategy for cost recovery of wastewater services should be reformulated together with the implementation of a comprehensive connection program, (iv) need to review contractor bids carefully, and (v) timely payments should be made to contractors and consultants. |
| The choice of an investment project in a specific geographic area was appropriate given the scheme's national importance in a post-conflict environment. However, the underlying technical basis of the original project design was inadequate. Insufficient diagnosis was made in understanding the social issues surrounding farming operations, livelihood interests, and farmer spatial organization. The project completion report (PCR) pointed out that a more intensive design phase should have been required before loan approval and ADB management should have insisted on it, and/or project implementation should have been designed to be more flexible. In essence, the project highlighted the need for a robust technical and economic design that takes into account the social context of beneficiaries. This validation has no disagreement with the lessons drawn by the PCR. |
| The Independent Evaluation Department agrees with the lessons presented by the project completion report (PCR). In particular, the link between the bottom-up and top-down approach with stakeholders' participation is important in successful policy formulation and in providing a strong foundation for law enforcement. The efforts to formulate measurable targets during project administration helped in directing the project toward achieving its intended targets and objectives. To be well managed and properly maintained, assets used in the project need to be handed over to the implementing agencies that use them. |
| The lessons presented by the project completion report (PCR) are valuable to ADB operations. Reform measures that involve reorganizing and downsizing a large and well-entrenched organization such as the Financial Supervisory and Development Board (Badan Pengawasan Keuangan dan Pembangunan or BPKP) are generally difficult to implement. There were complex issues that involved changes in seniority, salaries, staff positions, and political ramifications that should have been thoroughly assessed. BPKP resistance should have been anticipated since the reform entailed significant downsizing.  Implementing a program that requires reforms at the level of a national agency, inter- agency coordination and cooperation needs the highest political support. The PCR pointed out that the conditions for release of the first tranche should have included a reorganization plan for BPKP. This would have demonstrated the government's commitment to reorganize BPKP. Subsequently, the second tranche should have been conditional on the government beginning to implement the reorganization. This would have given ADB more leverage to move the program toward reorganizing BPKP.  At the program level, ADB should continue dialogue with the government in pursuing the reform and ensuring that BPKP strictly adhere to its new scope of work and tasks identified in the new regulation (no. 60/2008). There is also a need to continue the work on establishing an internal certification system. |
| Lessons drawn from the project are valuable to ADB operations especially in countries such as Mongolia where population is small and technical capacity is limited. Greater emphasis should be given to building technical and management capacity of concerned agencies and end-user institutions. Additional technical assistance should have mitigated the problems associated with the technical complexities of the NLIS and might have avoided the system drifting away from its original design. More technical support should have been provided in design formulation of the national land information system (NLIS). This validation agrees with the project completion report (PCR) that a more incremental approach to system development should have been more appropriate, with complexity added as external infrastructure improved (such as power and connectivity). |
| The main lesson identified was that social welfare reform is politically sensitive. Therefore, at the very early stage of preparing the program framework, the borrower's commitment to the key theme of the program needs to be carefully assessed. In addition, that commitment should be made a condition for program effectiveness and release of the first loan tranche. Postponing the meeting of that condition to a later date or to the release of a later loan tranche might make it difficult to ensure that the government will adhere to its commitment during program implementation and on a sustained basis thereafter, as it happened in this program loan. The other key lesson was the need to set up an appropriate monitoring and evaluation (M&E) system at the time of preparing the program framework to facilitate collection and analysis of information necessary to evaluate the impact of the project. The project completion report (PCR) pointed out other lessons as well. This validation supports all of them. |
| The project completion report (PCR) identified the following good lessons from the project, which this validation supports:  (i) Improving project design and ensuring adequate technical understanding of the factors affecting the project, such as water source availability and cost estimation, are essential.  (ii) Targeting of sites in priority areas must be improved so as not to dissipate design efforts and resources.  (iii) Beneficiary demand and willingness to pay must be ensured.  (iv) Targeting poor families with low-cost technology using grant funds makes good sense.  (v) Low-cost technology has significant potential for improving public health.  This validation strongly suggests that these lessons be used to guide ADB staff in subsequent project conceptualization and development efforts to avert mistakes experienced in many rural water supply projects. Due diligence should be exercised not only in terms of technical factors but institutional, social, financial, and even political factors. While most if not all projects have excellent and even noble intentions and objectives and are extremely relevant to existing problems in the countries they are proposed for, these projects have to be realistic and must be designed considering the inherent problems and issues pertaining to the sector, country, or areas where they will be implemented. Due prudence must be exercised in expecting institutions to perform beyond what they are capable of and have proven capable of. Projects that require continuing operation and maintenance must have a stable cost recovery mechanism to ensure sustainability. There are two elements to this: beneficiaries' willingness and ability to pay, and the institutions' capability to impose and collect tariff. |
| The project completion report (PCR) drew out valuable lessons to ADB operations. Strong government ownership and commitment to a project's success and sustainability is important. The project's training programs were effective. These taught farmers to use new technology, knowledge, and ideas to improve their income and living conditions. Training was flexible in allowing family members, who are often the final users of the biogas, to take part. This ensured that type I and type II systems would remain operational after project completion. This validation agrees with the PCR that proper due diligence on new technology such as the type IV gasification plant should have been undertaken at appraisal to determine the risks and sustainability of the technology. |
| This validation agrees with the following lessons identified by the project completion report (PCR): (i) the use of a clear and sound design and monitoring framework (DMF) to direct project implementation and coordination; (ii) promoting stakeholder participation and ownership in the project for greater probability of success; (iii) flexibility in specific investments to achieve intended outputs; (iv) importance of detailed feasibility studies of enterprises and agribusinesses to assure viability; (v) use of external sources of local government units (LGUs) other than their regular allocations for equity on the subprojects; and (vi) unsuitability of agrarian reform community (ARC) cooperatives in target areas for Land Bank of the Philippines (LBP) lending due to pre-existing past due accounts or inability to meet LBP's cooperative accreditation criteria. |
| This validation agrees with all the project completion report (PCR) lessons identified and would like to emphasize the following:  (i) Local government unit (LGU)-driven projects are important and strategic for targeting the urban poor. LGUs could have played a crucial role in provision of land, particularly land that the President of the Philippines has proclaimed for social housing purposes. Home Development Mutual Fund (HDMF) lending needed to open up to LGU-initiated socialized housing projects, even if they were for non-HDMF members. To serve the urban poor, LGUs needed to innovate and provide guarantee funds (guaranteed by the internal revenue allotment [IRA] or other forms of collateral) for HDMF lending operations to the urban poor. In addition, implementation of socialized housing projects needed to make use of microfinance institution (MFI) collection practices.  (ii) Private developers needed to be given incentives to allocate part of their housing projects to the urban poor. The private sector modality could have worked out if established in tandem with a take-out mechanism from HDMF. |
| This validation generally agrees with the lessons identified in the project completion report (PCR), which are summarized as follows:  (i) A complex and overambitious program should not have been designed. A simpler program designed in phases or steps might have been more realistic and would have stood a greater chance of achieving better results.  (ii) There was a mismatch between the program's expectations from those of the executing agency and the implementing agencies, and their capacity to deliver such expectations.  In future similar interventions, it would be better to design complex projects in trances or sequentially, starting with simple components and sequencing them in such a way that more complex components are implemented in later tranches. This would allow the executing agencies and/or implementing agencies to build capacity and experience in the simpler components; learn technical and project management issues that could be addressed; and revisit project concept, approaches, methodologies, implementing and financing arrangements as necessary before proceeding to subsequent tranches or phases. Because of the difficulty in interagency coordination and multiagency project implementation in the Philippines, mre careful focus and in-depth assessment of the implementation capacity of executing agencies and/or implementing agencies, their governance and management structure, institutional framework and design of implementation arrangements would need to be undertaken prior to appraisal.  If the government seriously intended to achieve the development objectives, the issues, especially those pertaining to interagency coordination should have been addressed at the Cabinet or National Economic and Development Authority (NEDA) Board level. Designing such a very complex sector development program was not practical and realistic. |
| This validation agrees with the lessons drawn by the project completion report (PCR) from the program implementation. Investments in the program had limited results. The difficulties and problems encountered in implementation could have been reduced if a thorough risk assessment and mitigation plan were done during program formulation. The responsibility of implementing the program was given to the Pasig River Rehabilitation Commission (PRRC), a newly established agency with insufficient management capacity and without established political influence. The program could have been improved if responsibility for implementation was delegated to concerned agencies with expertise and proven track record. |
| The project completion report (PCR) identified a number of lessons. This validation agrees with them. This validation's view is that, bearing in mind the transitional nature of Viet Nam's economy and general capacity constraints, the program appeared too complex trying to bring about reforms in a wide range of nonbanking sector aspects, though it took a phased approach to some extent using two subprograms. Perhaps, a more prudent approach would have been to adopt a more phased approach by first focusing on, say, development of insurance, leasing, money markets, and capital markets and then, as second stage, addressing concerns in financial infrastructure, i.e., the accounting and auditing system, and a deposit insurance system. That more phased approach could have accommodated capacity constraints better, avoided delays, yielded more positive results, and also enabled measurement of outcome and impact more accurately. |
| The project completion report (PCR) noted that more time could have been devoted to identifying exactly what activities needed to be monitored, which is generally applicable. The report and recommendation of the president (RRP) identified nearly 100 indicators for project monitoring, some of which were difficult to collect, i.e., 'satisfaction of target groups' and 'income and living standards of affected persons' while others relate to water production and water quality and complaints from residents. However, very few indicators relate to the long-term changes in social behavior that the project was designed to deliver.  Closer attention to the linkages (or the theory of change) between the provision of infrastructure and the resulting changes in social behavior and development outcomes may have been a more useful basis for project monitoring and evaluation (M&E), i.e., what were the behavior changes and could they be observed in project and non-project towns? This lesson applies more broadly to infrastructure projects that identify high level social outcomes and explicit behavior change for their longer-term success. While attention needs to be given to ensuring the delivery of complex infrastructure (which was the bulk of project financing), changes in social behavior are equally, if not, more complex and require just as much attention if development outcomes are to be achieved. |
| The project completion report (PCR) identifies a number of useful lessons, with which the validation concurs. They are summarized as follows:  (i) Community involvement from inception to completion is the key. Law enforcement alone cannot safeguard the environment. T o ensure that communities benefit, their involvement is important even in large infrastructure development and rehabilitation projects.  (ii) At the project management level, a sense of ownership has to be developed early to prevent implementation delays and ensure continued operation and maintenance (O&M).  (iii) To ensure the sustainability of the alternative livelihoods generated, market linkage is crucial to generate income and prevent communities from returning to their traditional activities.  (iv) Delays ensue when activities from different components are grouped in one subproject. Such grouping can discourage ownership of project outputs. Combining harbor development with coastal conservation delayed project implementation considerably because the activities were not complementary. |
| 1. This validation emphasizes that institutional capacity building is critical in monitoring and evaluating the project. Policymakers need to be able to monitor the results and impact of the intervention in order to track the success of a reform project. ADB should continue working with the government to support the education sector reforms in Uzbekistan. [Main text, para. 24]    project cycle stage: Implementation    Lesson Topics:   Monitoring & Evaluation: Impact evaluation  Capacity Development: Capacity development  Sector Related Issues: Education  Policy & Reform: Policy reforms/framework  Policy & Reform: Reform    2. Another lesson from this project is that development of textbooks and related teaching aids needs to be meticulously synchronized with the new curriculum development in order to avoid any delays and lost time. [Main text, para. 24]    project cycle stage: Implementation    Lesson Topics:   Project Management: Project supervision  Sector Related Issues: Education |
| The extended annual review report (XARR) combined the lessons and recommendations. These were as follow:  (i) Avoid making investments based on the popularity of certain transactions or sectors, and thoroughly analyze markets for demand trends to avoid venturing into sunset industries.  (ii) Diversification of the investment portfolio - geographically and by industry - is vital to mitigate the unexpected performance shortfalls of a specific industry.  (iii) The sector diversification strategy should be reevaluated, because the 50% exposure limit for a single industry is very high. This has been taken into account in subsequent funds into which ADB has invested.  (iv) In infrastructure funds, it is essential to spread investments across different stages of project development (i.e., early stage and fully operational).  (v) Avoid further losses, and do not invest additional money in nonviable activities.  (vi) ADB should continue to participate more actively in fund structuring (especially in terms of a fund's investment policies to ensure alignment with ADB's objectives), in appraising fund managers, and in supervision.  (vii) ADB's investment in funds can effectively mobilize larger sums of capital that complement ADB's direct investment efforts. Although the Asian Infrastructure Fund (AIF) represents a small fraction of the region's infrastructure requirements, ADB has demonstrated the viability of this means of mobilizing capital while ensuring that projects are aligned with ADB's development objectives.  (viii) Investing through investment funds can be equally effective as, and has advantages in comparison with, direct equity investments. Investment funds can make simultaneous investments, as opposed to direct investments into a single project.  First, this validation finds that for clarity the lessons should have been separated from the recommendations. Second, pertinent points were identified but the quality of the lessons and recommendations statements is poor and could have been stated better by providing more context. For instance, item (ii), as stated, is neither a lesson nor a recommendation but merely a definition of what is diversification. Similarly, items (vii) and (viii) are basically just describing what investment funds are and their advantages over direct investments. On the other hand, item (iv) does not explain why it is essential to spread investments across different stages of project development. Item (iii) is confusing because the first part says the sector diversification strategy should be reevaluated but then the second part states that it has already been taken into account in subsequent ADB fund investments. It is not clear from the statement whether the 50% single-industry exposure limit is a standard ADB investment policy or specific to AIF. |
| 1. A thorough analysis of beneficiary preference, demand, and willingness to pay needs to be conducted to ensure that preconceived notions on demand are verified, validated, and confirmed on the ground by the beneficiaries. Very often proponents from the central government have a different concept of needs and priorities from agencies at the field or local level. Local involvement in project conceptualization ensures greater success, as there would be better ownership of its components and a more accurate identification of the needs of intended beneficiaries. Additional gains will be made through greater commitment for sustained operation and maintenance and more accurate assessment of willingness to borrow. [Main text, para. 22]    project cycle stage: Design, Feasibility    Lesson Topics:   Project Design: Project design  Methodologies/Approaches: Consultation/Participation |
| 1. The financial impact of projects on local governments needs to be ascertained at project preparation to ensure that these can meet their financial obligations. For example, it would have been clear that the Bukidnon Integrated Area Development Project in the Philippines could not have met the financial requirements of the projectï¿½to invest $12 million of its own resources, and to pay high interest on $14 million borrowed from Mindanao Development Fund. Unless viable options are found to fund local investments, a project of this type should not proceed. [Main text, para. 23]    project cycle stage: Feasibility, Appraisal    Lesson Topics:   Project Design: Appraisal  Country Context: political economy factors |
| 1. Success of reforms largely depend on support by recruited champions from all stakeholder groups (including the upper levels of government) to a defined reform roadmap. In the case of the Ak Altin Agricultural Development Project in Uzbekistan, donors were keen to free up agriculture, and while the government in principle agreed, it was nonetheless extremely cautious about reforms. The government continued to operate at its own pace, and was almost immune to international pressure, which affected the achievement of reforms. [Main text, para. 25]    project cycle stage: Design, Country Partnership Strategy    Lesson Topics:   Policy & Reform: Policy reforms/framework  Policy & Reform: Reform    2. In establishing viable private agricultural services institutions in transition economy, it is important that the target farmers' willingness to avail of these services (in the short and long term) and their capacity to pay are assessed and considered during project design and implementation. Under the Ak Altin Agricultural Development Project in Uzbekistan, the Rural Business Advisory Center (RBAC) and the Machinery and Tractor Pool (MTL) were intended to be self-sufficient by project end. This is unlikely to happen for the MTL as the institution's targeted small cash-strapped farmers are inherently the most challenged to make payments for availed services. Likewise, comments from target farmers indicate that demand for services from the RBAC are only confined during the early stages of the project. [PVR main text, paras. 16, 26; see also PCR Main text, paras. 11, 27]    project cycle stage: Design, Implementation    Lesson Topics:   Crosscutting Issues/Themes: Sustainability  Country Context: Transition |
| 1. As programs need to be driven by the borrowers, capacities of executing and implementing agencies in program implementation must be carefully assessed at appraisal so that capacity disparities can be mitigated. For example, the Punjab Resource Management Program in Pakistan could have averted problems brought about by capacity gaps had it identified the risks early on and instituted mitigating measures, such as, the recruitment of program management consultants to assist the Project Management Unit, the Planning and Development Department, and the Finance Department. The limited institutional capacity of the executing and implementing agencies ultimately reduced the relevance of the Program. [Main text, paras. 14, 25-26, 30]    project cycle stage: Design, Implementation    Lesson Topics:   Project Management: Executing/Implementing agencies  Capacity Development: Capacity assessment |
| 1. More innovative cost sharing arrangements need to be developed so that poor local government units (LGUs) are not hindered from participating in programs that require counterpart equity. Under the Secondary Education Development and Improvement Project in the Philippines, LGU involvement was incorporated into the school building program to promote partnership with local stakeholders. The program required LGUs to provide 25% of the construction costs for the required school facilities. Unfortunately, most participating LGUs found it difficult to provide equity funds which led to postponed construction. [PVR Main text, para. 21; see also PCR Main text, para. 21]    project cycle stage: Design    Lesson Topics:   Finance & Financial Aspects: Counterpart funds  Sector Related Issues: Education |
| 1. To be useful during project performance reporting and outcome and impact determination at project completion, country-specific definitions of data and monitoring variables established during project preparation needs to be consistent with international conventions. This is important for new and innovative projects or when variables are linked with global goals and programs like the millenium development goals, just like in the Community-Based Early Childhood Development Project in Kyrgyz Republic. [Main text, paras. 25, 26]    project cycle stage: Design, Implementation, Completion    Lesson Topics:   Monitoring & Evaluation: Data collection and management  Monitoring & Evaluation: Monitoring and evaluation  Monitoring & Evaluation: Post-evaluation  Monitoring & Evaluation: Reporting  Project Design: Project design |
| 1. Projects, which include enactment of legislations, should be provided ample implementation timeframes. The difficulty of enacting legislation in support of a project activity and within the timeframe of a project is often underestimated. The estimated implementation time of the Forest Resources Management Sector Project in Sri Lanka project should have considered possible difficulties faced by line agencies in pushing for the component legislation through the national parliament. [Main text, paras. 21, 24]    project cycle stage: Implementation    Lesson Topics:   Policy & Reform: Policy reforms/framework  Policy & Reform: Reform |
| 1. The approach used in calculating the economic internal rate of return at completion should be consistent with the approach adopted at appraisal. This will provide a realistic and reliable comparison of before and after project economic benefits. [Main text, paras. 16, 23]    project cycle stage: Appraisal Completion    Lesson Topics:   Monitoring & Evaluation: Benefit monitoring and evaluation  Project Design: Appraisal |
| This validation agrees with the lessons identified in the project completion report (PCR) and finds them valuable in financing postconflict development projects. The ownership by the government of the reform process and the leadership the government shows are absolutely critical in a postconflict scenario. This was demonstrated in the case of the leadership shown by the finance minister, which was not always matched in the Postconflict Multisector Program Loan (PMPL) sectors. Given the multisectoral nature of the program and the utilization of the proceeds in various reconstruction and development projects, strong oversight mechanisms needed to be in place at the outset to ensure optimal use of and reporting on funds. |
| The project completion report (PCR) identified two lessons. The executing agencies had insufficient capacity to carry out procurement, bid evaluation, and other processes, resulting in significant delays. Since this was not identified during project inception, ADB should pay more attention to capacity needs during this critical period. The change in project scope from providing consulting for the creation of a Rural Electrification Board (REB) training academy to actual construction of the training academy contributed to loan extensions. This kind of major change in scope should be avoided. This validation concurs with these lessons. |
| The project completion report (PCR) identified two lessons. The first dealt with the appropriateness of the lending modality. The second was related to the design and monitoring framework (DMF), which could have been better developed. This validation concurs with these lessons. |
| This validation agrees with the project completion report's (PCR) analysis of lessons identified. Investments on rural infrastructure can be maximized by regular and periodic maintenance. The labor-based appropriate technology (LBAT) was a cost- effective method for employing local labor for rural infrastructure and civil works but it is most effective when used in the initial construction stage and less effective for delivering good-quality regular maintenance. Decentralized decision making empowers the local and community level stakeholders and promotes their ownership of the project. However, clear and simple procedure for reporting and disbursement need to be set in place for it to be most effective. Capacity building should accompany decentralized decision making to strengthen capabilities at the local and community level in planning, implementation, and management of subprojects. The role of nongovernment organizations (NGOs) in working with communities was effective, particularly in training and participatory planning. |
| The projecct completion report (PCR) identified three lessons regarding the ability of power sector institutions in Assam to undertake large investment projects; take advance action to resolve land issues and other statutory hurdles; and address counterpart funding issues before project implementation. Validation concurs with these lessons. |
| The project completion report (PCR) identified one lesson related to the design of the project, which included the need to deal directly with beneficiary utilities and the need to foster greater ownership of the project objectives by state electricity boards (SEBs) and state governments. This validation concurs with this lesson. |
| This validation agrees with the lessons enumerated in the project completion report (PCR). The lessons were that the Access to Justice Program (AJP) was too centrally designed and managed, supply-driven, and complex. The police reforms also lacked a well-grounded agenda, a clear mandate, and capacity on the part of ADB and the government to implement reforms. This portion of the PCR also noted the difference between the integrated outcomes of the design and monitoring framework (DMF), on the one hand, and the separated outcomes of the policy matrix. |
| This validation agrees with the lessons identified in the project completion report (PCR), especially noting the need for the appropriate sequencing of reforms, beginning with a strong national debate, consensus building, and policy formulation, all the way to capacity development and implementation. |
| The project completion report (PCR) identified lessons regarding project design, implementation, and ADB performance. This validation concurs with these lessons. |
| The project completion report (PCR) identifies a number of useful lessons. The present validation supports them in full. These are reiterated here: (i) the project design should be in consonance with the implementation capability of the executing agency, especially when it is the first project, or the executing agency is generally inexperienced; (ii) since excessively complex projects face an exponentially rising risk of failure, this must be avoided unless the problem can only be addressed through an innovative and untried solution; and (iii) subnational operations need to be prepared and processed more cautiously and carefully since their functions and powers are derived from multiple sources with overlapping jurisdictions. |
| The project completion report (PCR) does a thorough job of extracting lessons from the project and lists 21 lessons in total, covering mainly operational weaknesses and how they can be avoided. This validation generally concurs with this analysis and especially with the need to ensure a strong foundation to move forward in early implementation. In particular, more attention should be given to the executing agency's implementation ability and its commitment to and ownership of the project. The selection of consultants should have been anchored on better assessments their previous performance. |
| The project completion report (PCR) generated a number of useful lessons. It argued that it would have been more efficient to include a larger local road component in the original project. It emphasized the need to be ready to add toll lanes and to apply advanced technical measures rapidly at exits where long queues begin to develop. The Shaanxi Xiyu Expressway Company (SXEC) PCR was concerned about families who lose their land for construction of public infrastructure and urges more substantial case-specific help for the costs of training and start-up investments for a new line of livelihood activity. |
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| The lessons highlighted in the project completion report (PCR) were valuable; for instance, the use of an appropriate executing agency (Vietnam Bank for Agriculture and Rural Development/VBARD and Central Credit Fund/CCF in this case) was critical to the successful implementation of the project. Concepts that are novel and complex within the country context (like the joint-liability groups, non-collateralized loans and rural business centers/RBCs) require sufficient development and preparation before they are rolled out for implementation; it is unfortunate that the predecessor technical assistance (TA) 3227-VIE did not incorporate these. There were no apparent incentives for project management to properly assess project impacts, so the collection and use of baseline data and strengthening of overall monitoring of beneficiaries need a stronger institutional push. |
| Some useful lessons identified in the project completion report (PCR) include (i) the expectation that the regional plantation companies (RPCs) would meet 50% of social development costs was unrealistic given the financial position of the companies; (ii) the project design was unduly complex; (iii) the inclusion of additional inputs for the development of the Tea Authority of Sri Lanka, marketing alliances, and demand-based public research were not client-driven, and they lacked appreciation of the commercial and proprietary rights attached to market relationships; and (iv) there was inadequate consideration of sector financial risks, including wage inflation, and political risks relating to price escalation in the sector. |
| The project completion report (PCR) identified two lessons regarding the design of the Power Sector Development Program (PSDP) loans and implementation delays. The validation concurs with this. |
| Several lessons from the project completion report (PCR) and project experience should be emphasized. First, the community empowerment initiative (CEI) needs to be replicated and further improved. By extending the benefits of national road development, ADB road sector projects will get more support and facilitate economic growth and poverty reduction more effectively. (ADB approved a Japan Fund for Poverty Reduction grant of $3 million to carry out a nationwide program to diffuse, promote, and provide training for community-based local infrastructure works, especially roads, and to support further work on maintenance programs. ADB.) The coverage and quality of the maintenance that can be expected on project roads should be thoroughly assessed and spelled out upfront before future interventions in the country. Meanwhile, ADB should consider a sector-wide approach rather than standalone maintenance contracts to make road investments sustainable. Timor-Leste needs a road sector maintenance program and this program must include an institutional set-up, a policy framework, programming, implementation capacity, and funding that are effective and adequate. Finally, in a country where data is scarce, of relative poor quality, and thus hard to interpret, economic and social analysis and monitoring and evaluation of projects need to focus on individual subprojects rather than broad aggregations. (Linking the data collected to particular areas and works done should help improve the interpretation of subproject experience and validate data collection. It will also do more to identify elements of success and shortcomings.) |
| This validation assesses lessons identified as useful for the program and future similar initiatives. |
| 1. It is important to establish not just a properly functioning monitoring and evaluation (M&E) system but a monitoring system that enables measurement of global environmental impacts. Without such an M&E system, it will not be possible to verify the impact of PRCï¿½GEF partnership interventions with respect to combating land degradation, reducing poverty, and conserving biodiversity. [Main text, para. 20]    project cycle stage: Design, Implementation    Lesson Topics:   Crosscutting Issues/Themes: Environmental management  Monitoring & Evaluation: Monitoring and evaluation  Project Design: Project design    2. Technical assistance (TA) activities that are well integrated into the overall project can result in more effective provision of guidance to achieve project outputs. This reiterates the importance of effectively timing TA interventions when supporting investment projects so as to maximize value addition. In the case of the Capacity Building to Combat Land Degradation Project in the People's Republic of China, the TA played a catalytic role in strengthening interagency and multisector cooperation and collaboration for integrated ecosystem management (IEM), including the collection and sharing of IEM-related data and information among policy decision makers, legislators, planners, private sector, and communities. The consultants served as lead resource persons and technical support in (i) various training activities, (ii) completion of IEM strategies and action plans, (iii) formulation and revision of 33 local laws and regulations, and (iv) implementation of 18 pilot sites. [Main text, para. 21]    project cycle stage: Design, Implementation    Lesson Topics:   Crosscutting Issues/Themes: Environmental management  Modality: Technical Assistance  Project Design: Project design |
| 1. There are clear benefits to involving ADB resident missions in project supervision.These include closer (hands-on) involvement and better understanding of the local environment. In the case of the Community-Based Infrastructure Services Sector Project in Kyrgyz Republic, significant disbursement delays were reported prior to 2005. The situation improved after the Kyrgyz resident mission began screening withdrawal applications. In 2007, ADB transferred responsibility for project administration from ADB headquarters to the resident mission. This resulted in stronger coordination with the executing agency and improved project administration. [PVR Main text, paras. 19, 24; see also PCR Main text, para. 64]    project cycle stage: Implementation    Lesson Topics:   Project Management: Project supervision  Other: Resident Mission    2. To adequately apprise ADB of the severity of project problems, projects may require (i) in-depth analysis by missions, and (ii) a established mechanism for consultants to prepare realistic reports to project management units (PMUs) and ADB. In the case of the Community-Based Infrastructure Services Sector Project in the Kyrgyz Republic, project documents revealed that in the early years of the project, the PMU or consultants did not adequately apprise review missions on the seriousness of the project's problems (e.g., 45 subprojects had unsatisfactory performance due to problems relating mainly to poor design, construction, and operation and maintenance). [PVR Main text, para. 24; see also PCR Main text, para. 24]    project cycle stage: Implementation    Lesson Topics:   Monitoring & Evaluation: Monitoring and evaluation  Monitoring & Evaluation: Reporting  Project Management: Project management |
| 1. Sufficient knowledge of sector issues in developing member countries (DMC) during project formulation can help inform and uphold the relevance of project designs. Limitations on the design and formulation of the Basic Skills Development Project in Bhutan could have been avoided had there been a better understanding of the DMC's sector issues. Even when ADB was working with a development partner reputed to have sector expertise, it was still important for ADB to have sufficient understanding of the issues so that it can address the DMC's capacity problems. This is especially important during implementation when other development partners have departed from the scene. [Main text, para. 27]    project cycle stage: Design, Implementation    Lesson Topics: |
| The project completion report (PCR) identified three lessons. Before a similarly complex and ambitious project is prepared, particularly in a country with difficult socioeconomic conditions and generally weak implementation and coordination capacity, a detailed and objective analysis of implementation risks (especially the strengths and weaknesses of the executing and implementing agencies) would have been essential, with all necessary mitigation measures built into the project design. The scope of the project was too broad - provincial roads should not have been included in a rural development project. In a demand-driven, community-based project design, it may be helpful to follow a supply-driven approach at the start, to demonstrate the dynamics of different types of community subprojects; communities can then make informed choices about their priorities. This validation report concurs with these lessons. |
| 1. The risks associated with a change in scope (in this case the inadequate capacity of the executing/implementing institution) needs to be fully considered to prevent project failure. For example, experience with the Financial Management Project in Papua New Guinea (PNG) pointed to the importance of ensuring that institutional capacity exists carrying out changes, i.e., technical aspects of the project design. The decision to combine components 1 and 2 during its third year of implementation, and to fund the development of an integrated software package that could cover all activities under these two components introduced a huge risk to the project. The use of an integrated system for public sector financial management was rare even in developed countries, and required technical sophistication in the development and operations phase that was nonexistent in PNG. This change in design led to implementation delays, and adversely affected project outputs and outcomes. It also reduced the relevance of the project. [Main text, paras. 10, 20]    project cycle stage: Design, Implementation    Lesson Topics:   Project Design: Project design  Project Management: Risks/Risk management  Capacity Development: Capacity development |
| 1. To improve the success of policy reform interventions, there is a need to ensure that executing and implementing institutions have adequate capacities in terms of staff and skills to supervise the implementation and operationalization of the reforms. For example, the Bank of the Lao People's Democratic Republic (PDR) under the Banking Sector Reform Program in Lao PDR could have rigorously supervised and controlled the banking system had it acquired adequate capacity to do so. Its lack of capacity still partly explain the continuing weak financial positions and nonperforming loans of state-owned commercial banks in Lao PDR. [Main text, paras. 14, 19]    project cycle stage: Implementation    Lesson Topics:   Capacity Development: Capacity building  Capacity Development: Capacity development |
| The project completion report (PCR) identifies a number of useful lessons learned with which this validation agrees. These include:  (i) Projects should conduct further research to ensure a viable approach is developed.  (ii) Project designs should be more cognizant of the security situation in countries where security concerns prevail.  (iii) ADB should resist requests to change the design or implementation arrangements early in implementation (unless there are clear design deficiencies).  (iv) The activities and output requirements of the design and monitoring framework (DMF) should be clear to the executing agency and the project management unit (PMU).  (v) The officer responsible for project design should be involved in the initial stages of project management to ensure a smooth transition from processing to implementation.  (vi) The concept of a sustainable self-funding Rural Enterprise Modernization Company (REMC) providing business development services in markets with limited ability to pay was inappropriate as the services provided are public benefits which are traditionally the role of government rather than private companies.  (vii) The project could have been better managed by the resident mission because it could have facilitated easier communication, supervision, and resolution of issues as they emerged. |
| The project completion report (PCR) highlighted the importance of an effective policy environment and institutional arrangements to support small and medium-sized enterprise (SME) lending operations. Small Business Guarantee and Finance (SB) Corporation's healthy institutional and operations structure coupled with clear and effective laws provided the ingredients for lending operations to be conducted effectively and efficiently. The global economic downturn and the changes in monetary policy were beyond the control of the project. In this regard, the validation holds that adjustments during implementation should have been made in the growth targets to make them more realistic and aligned with developments in the overall environment. |
| The project completion report (PCR) identified well-founded and useful lessons that could guide future project preparation and similar sector initiatives. The lessons derived from the project pertain to approaches to community engagement in projects, technical procedures, and due diligence requirements. The PCR listed the following lessons related to community engagement: (i) demand-driven and community-based development require a flexible design to accommodate community preferences, (ii) enhancing community ownership requires that beneficiaries contribute cash and labor and give communities more responsibility for operation and maintenance (O&M), and (iii) handover of water supply to local communities requires continued support during transition and follow-up periods. The technical lesson identified pertains to groundwater investigations. The PCR suggested that such investigations should be conducted over time to determine variations in yield and recharge rates to avoid possible water shortages. Due diligence in monitoring safeguards and assessing political risks and national procurement regulations and procedures is necessary to avoid delays and possibly failure of some project components.  This validation agrees with these lessons. Substantial community awareness campaigns and community organization work are necessary to foster community interest, participation, and commitment. It takes considerable time to promote and build up community engagement. However, as the project showed, such engagement can ensure the success, viability, and sustainability of a project. The policy reforms that were envisaged at appraisal but not adopted may have been carried out had a more rigorous assessment of the prevailing political environment been undertaken before appraisal. This would have resulted in a more realistic assessment of risks by ADB and the formulation of a more attainable water supply and sanitation (WSS) reform agenda by the government. |
| The project completion report (PCR) identified two lessons. The first cited the need to engage local expertise in the survey and design of works while the second involved the benefits of establishing water user associations (WUAs) before designing irrigation and drainage schemes. This validation concurs with these lessons. |
| 1. There is a need for improved and expeditious processing of approvals both within ADB business processes and within the government to avoid delays to approval of variation requests and other procurement matters.    project cycle stage: Appraisal Implementation    Lesson Topics:   Capacity Development: Capacity development  Capacity Development: Institutional analysis |
| 1. For a project with interrelated components funded from separate sources, it is important that a coordination mechanism is set in place to integrate and optimize outputs and impacts. For example, coordination between the ADB-funded components 1 and 2, and the Global Environment Fund-funded, United Nations Development Programme-administered component 3 was lacking in the Tonle Sap Environmental Management Project in Cambodia. While the its design was well conceived with three separate but interrelated components, parallel financing arrangements and the creation of a separate Tonle Sap Conservation Project appear to have made it difficult to coordinate and integrate the project components. ADB's internal procedures somehow reinforced the notion that these were two separate projects. In addition, the project completion report team did not have complete information on the activities and disbursements of component 3. [Main text, paras. 26, 29]    project cycle stage: Design, Implementation    Lesson Topics:       2. Inferior project frameworks, e.g., characterized by the lack of clearly identifiable performance indicators, prevents the conduct of robust evaluations. The validation report on Tonle Sap Environmental Management Project in Cambodia indicated that empirical results linking activities, outputs, and outcomes on socioeconomic and environmental conditions were lacking. Its design did not have a rigorous monitoring plan and needed an improved quantitative set of indicators to measure results. [Main text, paras. 29, 31]    project cycle stage: Design    Lesson Topics: |
| 1. To identify potential sector programming issues, ADB needs to actively engage with other development partners' on their investment plans prior to or in the early stage of loan implementation and match its own comparative advantage in offering assistance to a DMC. In the case of the Angat Water Utilization and Aqueduct Improvement Project in the Philippines where, instead of pursuing the ADB multitranche financing facility, the government opted for a loan from the Government of the People's Republic of China. The government deal with many official development assistance partners, and there are grants and loans with better conditions than ADB loans. While the project team insists that the government decision to change its funding source was unexpected, through project documents, the validation report did not find significant evidence suggesting that ADB actively explored other development partners' investment plans in the sector, prior to or in the early stage of the loan implementation, nor did it assess its own comparative advantage in offering its assistance to the Philippine development assistance environment in the water sector. A master plan for water resource development in each river basin including careful assessment of conflicting responsibilities for regulation, extraction, and approval in the sector is needed for future ADB engagement. [Main text, page 5]    project cycle stage: Design, Feasibility, Appraisal    Lesson Topics:   Project Design: Appraisal  Project Design: Project design  Sector Related Issues: Water resource management |
| 1. Resident missions can play a pivotal role in rigorous project supervision by ensuring project implementation is on track and that ADB loan funds are fully used for the intended purposes within the planned loan closing date. Although the Papua New Guinea Resident Mission (PNRM) was formally established in 2003, which was almost midway in the implementation of Papua New Guinea's Rehabilitation of the Maritime Navigation Aids System Project, project completion report does not indicate whether PNRM support was sought for project supervision. Such support would have been helpful in expediting the consultant selection approval process, the award of contracts, and completion of the training program. [Main text, page 10]    project cycle stage: Implementation    Lesson Topics:       1. Resident missions can play a pivotal role in rigorous project supervision by ensuring project implementation is on track and that ADB loan funds are fully used for the intended purposes within the planned loan closing date. Although the Papua New Guinea Resident Mission (PNRM) was formally established in 2003, which was almost midway in the implementation of Papua New Guinea's Rehabilitation of the Maritime Navigation Aids System Project, project completion report does not indicate whether PNRM support was sought for project supervision. Such support would have been helpful in expediting the consultant selection approval process, the award of contracts, and completion of the training program. [Main text, page 10]    project cycle stage: Implementation    Lesson Topics: |
| 1. In the case of countries with potential debt service payment risks, incorporating a debt sustainability analysis in the risk and vulnerability assessment of the project can help anticipate the potential risks to ADB. In the Post-conflict Emergency Rehabilitation Project, the country's severe budgetary constraint in early 2000 meant the government will be unable to finance any reconstruction work in the short term. ADB could have identified this potential debt payment issue by doing a simple debt sustainability analysis and instituted necessary mitigation measures to avoid 3-year delay in project implementation. [PVR Main text, pages 6-7; see also PCR Main text, para. 5]    project cycle stage: Design Appraisal    Lesson Topics:   Project Design: Appraisal  Country Context: Conflict/Post-conflict  Country Context: Emergency |
| 1. For lessons to be useful during project implementation, they need to be taken into account during the formulation and design stage. Listing lessons learned in the report and recommendation of the President is not enough. For example, the implementation of the Power Rehabilitation Project in Tajikistan would have benefited if at least some of the past lessons were taken into account during its formulation and design. Many of the implementation problems arose because of the executing agency's (Barki Tajik) unfamiliarity with ADB's procurement procedures, and the appraisal mission was well aware that such unfamiliarity has delayed the start of many projects in Central Asia. These problems would have been avoided had this been taken into account in the project's design and the executing agency provided the necessary familiarization training on ADB procurement procedures. [Main text, pages 4, 8]    project cycle stage: Design, Implementation    Lesson Topics:   Project Design: Project design  Sector Related Issues: Energy planning/management |
| 1. A strategy that can help avoid program implementation delays is the careful and realistic selection of policy interventions and to implement these in a phased manner. The Education Sector Development Program in Uzbekistan, being the first to be implemented in the country, encountered implementation delays because some of its aspects were too ambitious and should have been done sequentially. [Main text, pages 6, 8]    project cycle stage: Design, Implementation    Lesson Topics:   Project Design: Project design  Sector Related Issues: Education |
| This validation highlights several variations in performance from the original projections and assumptions in the report and recommendation of the president (RRP), which are mentioned in the extended annual review report (XARR), and other issues and lessons:  a) Total project costs were lower than anticipated; the XARR cites unutilized contingencies and other savings. For this positive outcome to be repeated in other projects, the basis for the savings needs to be explained.  b) Actual power-generation capacity exceeded the projections in the RRP; the reasons for this should be explained so that they can be replicated in other projects if possible.  c) A brief payment dispute between the Electricity of Viet Nam (EVN), Mekong Energy Company Limited (MECO), and Viet Nam Oil and Gas Corporation regarding liability for pass-through gas take-or-pay payments in the months immediately before the commercial operations date is noted, when apparently the gas pipeline had been completed but the plants had not commenced commercial operations and EVN had not completed its transmission line to the plant. The Ministry of Industry successfully intervened in June 2005 and, according to the XARR, EVN settled its obligations in full to MECO. This seems to be attributable to the government's performance guarantee (through the Ministry of Industry) to MECO vis-a?-vis the national gas supplier and the national electricity offtaker. As this is a very positive aspect of the project, this type of government performance guarantee could be incorporated into similar projects in Viet Nam and other countries. |
| 1. To improve the prospects for successful project implementation, achieving the desired outcomes and outputs, and maintaining sustainability in the medium term: (i) the focus and selection of project components must consider the developmental context of the country and its absorptive capacity; and (ii) preparedness and viability of proposed component, including likelihood of their adoption by obtaining firm upfront commitments from the parties that champion their promotion, must be ascertained. Under the Small Business Development Project in Samoa, the latter does not appear to have been done on one of its components, Venture Capital Fund (VCF). The report and recommendation of the president was more of a description of what the proposed VCF would look like. Many loose ends, including critical issues such as shareholder contributions, choice of the fund manager and key staff, and tax liability, were left to be sorted out during implementation which took time for resolution, and the VCF was closed without doing any business after determining that it was unlikely to be financially viable. [Main text, pages 7-8]    project cycle stage: Implementation, Completion Operation    Lesson Topics:   Project Design: Project design  Project Management: Project management |
| 1. Emergency projects such as this one tend to be difficult to administer and implement and difficult for ADB to properly guide and oversee. This is because speed is of the essence to restore normal activity, and subprojects tend to be spread over large geographical areas. As such, ADB has to depend not only on review mission diligence but also on consultants and the government agencies involved. ADB's procedures, while fully adequate for non-emergency projects, tend to slow the implementation of emergency projects such as this one, so due diligence is sometimes truncated. As a result, subprojects were undertaken that do not meet requirements or necessary approvals. The social infrastructure projects under this project are cases in point. Prior to due diligence approval, works were undertaken and retro-financed after due diligence approval. Also, three of the new schools, while probably needed, did not meet subproject selection criteria. ADB may wish to review its procedures for such projects so that such compromising activities can be avoided. [Main text, page 9, section E(ii)]    project cycle stage: Implementation, Country Partnership Strategy    Lesson Topics:       2. Taking into account issues related to sustainability, it is apparent that the project outcomes can be sustained if the government allocates adequate funds and resources for operation and maintenance based on a rigorous and transparent planning regime. [Main text, page 9, section E(ii)]    project cycle stage: Implementation, Completion Operation    Lesson Topics:   Crosscutting Issues/Themes: Sustainability  Project Management: Operation and maintenance |
| 1. It is crucial to the success of a policy-based program to undertake proper pre-appraisal preparatory work to identify correctly the concerns and issues that needed to be addressed under a reform program to facilitate program implementation and accomplish the envisaged outcome and outputs (a pre-assessment was done in this case using an ADB funded technical assistance). [Main text, page 7, section E(ii.a)]    project cycle stage: Design, Feasibility, Appraisal    Lesson Topics:   Modality: Policy-based lending  Modality: Program  Project Design: Appraisal  Policy & Reform: Reform    2. It is essential to provide technical assistance (TA) for capacity enhancement and program implementation to make a success of a reform program (2 TAs were provided in conjunction with the Program in this case). [Main text, page 7, section E(ii.b)]    project cycle stage: Design, Implementation    Lesson Topics:   Modality: Program  Modality: Technical Assistance  Policy & Reform: Reform    3. It should be understood that enactment of new laws (financial leasing law in this case) which would take time particularly in countries faced with capacity constraints is necessary. [Main text, page 7, section E(ii.c)]    project cycle stage: Implementation, Completion    Lesson Topics:   Policy & Reform: Policy reforms/framework  Policy & Reform: Reform |
| 1. There is a need to lay down a firm legal, regulatory, and supervisory foundation prior to embarking on promotion of financing institutions, such as savings and credit cooperatives (SCCs). In this case, ADB attempted to establish the regulatory structure in parallel to project implementation, which did not work well. The two activities should have been better prepared, and sequenced as separate projects. The regulatory structure should have been supported by a comprehensive technical assistance with adequate resources to prepare and promote the legal, regulatory, and supervisory framework, to have it passed by the legislature, and to ensure adequate institutional capacity to execute that framework. With the regulatory structure in place, the implementation should have proceeded with components for training, promotion, and institution development of SCCs. That approach would have had better prospects for success in establishing a sustainable rural finance system. [Main text, page 6, section E(ii.a)]    project cycle stage: Design, Implementation    Lesson Topics:   Modality: Technical Assistance  Policy & Reform: Policy reforms/framework  Policy & Reform: Reform    2. There is a need to enhance the capacity of ADB staff to quickly assess changing project circumstances and adjust project parameters to ensure greater use of ADB loan funds and better attainment of project objectives. [Main text, page 6, section E(ii.b)]    project cycle stage: Implementation, Country Partnership Strategy    Lesson Topics:   Project Management: Project management  Capacity Development: Capacity building |
| Implementing projects in countries with similar circumstances as in Pakistan highlights: (a) the need for start-up technical assistance to set the stage for effective project implementation as part of the loan covenant, establish the project coordination units and/or project implementation units, and ensure that a realistic implementation arrangement is put in place, even if it means revising the project implementation design, drafting a management operation manual, assisting in the opening of imprest accounts, training project staff on ADB procurement and disbursement procedures and reporting requirements, and initiating the preparation of procurement and disbursement documents; (b) the need for more frequent review missions, probably with an appropriate consultant/advisor on board, in the early years of implementation and for as long as project implementation is deemed off track; and (c) the need to take immediate action to scale down project costs, and/or cancel part of the corresponding loan, when it becomes apparent that the government is unable or unwilling to put up the necessary counterpart funds. While it is important to correctly and objectively assess implementation constraints and implementation capacity, countries with serious development needs and weak institutional capacity should be assisted with building up this capacity as part of project design. This refers to short-term project implementation capacity as well as to longer-term program administration capacity. The project starting date should be set after start-up TA has been successfully completed, and countries with weak institutional capacity should be given time to comply with the covenants and requirements for loan effectiveness through a mentoring process that the start-up TA should provide. [Main text, page 8, section E(ii)]    project cycle stage: Design    Lesson Topics:   Finance & Financial Aspects: Counterpart funds  Modality: Technical Assistance  Project Design: Project design  Project Management: Procurement  Project Management: Project management  Capacity Development: Capacity development |
| An important lesson from the project is the usefulness and proper sequencing of related technical assistance (TA) in identifying, structuring, and operationalizing the central depository system (CDS). The amount of money involved was not big, but the results were exemplary. The establishment of an automated CDS was identified by a TA that was associated with a public sector program loan. ADB then approved a small-scale TA to provide management and technical support to the Central Depository Bangladesh Limited (CDBL). The TA was well-designed and the consultants were outstanding. In another TA, a quality check of CDBL was conducted before ADB invested in the company. All these TA projects helped ensure the success of the project. |
| The project would have benefited considerably if a foreign engineer, with specifically relevant experience of mobilizing and coordinating a multidonor supported cyclone recovery program, had joined the project management unit (PMU) for a few weeks or months at the start of the project.  The government and relevant key development partners and donors (i.e., in the case of cyclone recovery and infrastructure repair and reinforcement, the Ministry of Finance and Economic Management/MFEM, ADB, and New Zealand Agency for International Development/NZAID) need to make greater efforts to ensure more continuous and open coordination; and ADB made the appropriate provisions in the loan documents and negotiations, but the shortage of experienced civil servants in the Cook Islands still prevented effective action; ADB needs to be more direct and persuasive in securing the active commitment of the government. |
| The extended annual review report (XARR) highlights the following lessons from the project: (i) mortgage finance for customers in the low- and middle- income (LMI) segment can be commercially viable, but housing finance companies (HFCs) or commercial banks must have highly trained and experienced staff, and sound credit underwriting and portfolio management policies to successfully generate business in this market segment; and (ii) reliance on a government regulator, such as National Housing Bank (NHB), as a major source of funding may not be sustainable over the long term, considering that financing is not its primary function and there is an inherent conflict of interest between the financing and oversight functions. This validation agrees with these lessons. |
| The project completion report (PCR) outlines four lessons. This validation supports all of them. One of these pertains to the linking of loan tranche releases with conditions for the passage of new laws. The passage of laws by the Parliament is normally not within the control of ADB or the government. Therefore, the question arises whether such conditions should continue to be imposed by ADB or, if such links are made, whether more time should be allowed for the laws to be passed. In this case, the delay in the passage of the investment law led to the cancellation of the final loan tranche, and thus to diminished efficiency in resource use. Another lesson is the need to be aware, during program design, of present or future laws that could impede reform. In this case, the passage of the Decentralization Law (2001) appears to have delayed the enactment of the investment law and to have led to the cancellation of the final loan tranche. |
| The key lesson relates to the core of financing function, i.e., sound cost estimates and adequate financing of an investible project. As the project completion report (PCR) states 'ADB needs to take a more conservative approach in project design and should not include cofinancing for project scoping and costing. In the event of a cofinancier's withdrawal from the project, the related funding should have been covered by ADB ' ADB should have been more firm about the project implementation arrangements. |
| The extended annual review report (XARR) identifies two good practices in this Project: (i) the introduction of a put option, which serves as a good exit strategy and gives ADB valuable protection from potential price and reputational risk; and (ii) the combination of a loan and equity investment, which allows the beneficiary bank more room to expand its portfolio and helps strengthen its capital base, while offering ADB an opportunity to help the bank adopt standard practices for good corporate governance. This validation generally agrees with these lessons highlighted by the XARR. In addition, the Project is a good example of complementary interventions by regional departments and the Private Sector Operations Department (PSOD) considering that the small-scale technical assistance (SSTA) processed by the Mongolia Resident Mission contributed to TDB's due diligence process for the investment proposal, and that the Project reinforced related policy dialogue and the Second Financial Sector Program. |
| The project completion report (PCR) identifies several lessons from project implementation. First, where an executing agency is unfamiliar with the sector approach, close dialogue with the relevant institutions is needed during the feasibility study and loan processing to ensure that all stakeholders understand the implications of such an approach. Projects such as this require intensive supervision by ADB in the early years and therefore ADB and government staff continuity is essential. Close involvement of resident mission staff is likewise important.  Second, participatory resource management projects involve complex arrangements between beneficiaries, intermediaries such as community-based organizations (CBOs) or nongovernment organizations (NGOs), and implementing agencies. Strengthening and sustaining these relationships require project support over many years. Introducing new beneficiary groups or CBOs toward the end of a project, without clearly defined means of support after project closure, is unlikely to result in sustainable outcomes.  Third, project designs should take into account the implementation capabilities of implementing agencies when a wide range of activities is proposed. The number of community development schemes implemented under the project was well below expectations. Reasons for this include lack of appropriately trained staff in the Department of Forests, Fisheries, and Wildlife (DFFW) and difficulty in contracting out design and supervision work. Overall, this validation concurs with these lessons. |
| There are several important lessons cited in the project completion report (PCR). Considering their importance, they are highlighted below.  (a) In the implementation of an interministerial policy, the capacity of the executing agency to coordinate with all the involved ministries is crucial. The implementation structure should reflect the organizational arrangement existing within the government. One of the basic problems in the sector is the lack of coordination, collaboration, and cooperation among the government agencies involved. Since this is an important requirement for success, the reasons for this failure must be understood and ways to ensure coordination developed.  (b) Support for the implementation of the policy program could have been achieved with technical assistance (TA), particularly for transport policy and road safety. ADB is discussing ways to support various components. |
| This validation concurs with the identified lessons presented by the project completion report (PCR). Projects that pilot test new approaches need to be designed in a way that they are simple, well focused, and flexible enough to accommodate appropriate changes. In pilot projects, it is essential to have a capacity building component, especially in contexts where weak implementation capacity exists. To effectively monitor and evaluate the project, the management information system (MIS) needs to be installed and operating early in the project schedule. |
| This validation fully agrees with the issues and lessons highlighted by the extended annual review report (XARR) including: (i) the importance of protecting ADB from investment losses through the use of put option or price adjustment mechanisms and the need for clarity in related documentation (with reference to the fact that neither the Shareholders' Agreement nor the Subscription Agreement for ADB's China Everbright Bank (CEB) investment specified the accounting standard to be used in calculating the net asset value on which the put option was based), and (ii) the limited role that a minority shareholder can play as an agent of change. In addition, this validation identifies the following lessons. Adequate due diligence is important for any ADB investment. Particular attention needs to be given to potential corporate governance issues and the risk of excessive intra-group lending in case a targeted financial institution is affiliated with other companies. |
| The project has generated several positive lessons for future ADB operations. This validation agrees with these lessons: (i) Ownership - Assuming high ownership of a project by all participants should be promoted by project leaders and ADB; (ii) Consultants - Highly competent consultants should be engaged for high investment projects; (iii) Procurement - ADB should ensure that executing agency (EA) procurement staff are qualified and familiar with ADB procurement guidelines before project procurement starts; (iv) Timely fund availability - For smooth project implementation, the required funds must be made available on time; ADB staff must carefully scrutinize counterpart fund arrangements, particularly availability during project formulation; (v) Delegation to the Resident Mission - ADB should be aware of and judiciously select the earliest time at which supervision can be delegated to the resident mission; (vi) Land acquisition and resettlement - In cases of land acquisition and resettlement, for good community relations, subsidies (such as household food and/or animal feed) should be considered for seriously affected households; (vii) Environmental and social costs - A high level of attention should be given to environmental and social cost estimates at the time of appraisal, particularly regarding fees and cost estimates by government agencies; (viii) Social development - Community development plans should be considered and funding provided for in the project budget for other similar projects in the People's Republic of China (PRC); (ix) Environmental protection and management - Special funds, to be managed by appropriate (national, provincial, or local) authorities, should be considered and funded by large development projects for environmental protection measures. |
| The lessons identified are relevant, although the lesson relating to integrating expressway with local roads components is debatable. |
| The following lessons emerge from this successful program: (a) a successful microfinance development program requires continued government commitment and close cooperation and coordination between the various agencies involved; and (b) there is a need to address all aspects of a microfinance development program (i.e., rules, regulatory, and supervisory framework; performance standards for microfinance institutions (MFIs) and their close monitoring; business development services for both providers and users of microfinance; a financial literacy program to increase the financial knowledge of both providers and users of microfinance; and attachment of appropriate technical assistance (TA) to facilitate program implementation and achievement of outputs and outcomes). The project completion report (PCR) also outlined some important lessons regarding (a) the difficulty encountered in changing the tax codes for microfinance-oriented nongovernment organizations (NGOs) and cooperatives during a relatively short 2-year program implementation period; (b) the lack of leverage from program policy actions, which constrained progress towards privatizing the Philippine Postal Savings Bank (PPSB); and (c) the lack of awareness programs, which constrained the use of the National Antipoverty Commission (NAPC) website to handle complaints regarding microfinance services and products. This validation agrees with all these lessons as well. |
| This validation agrees with the issues and lessons identified in the extended annual review report (XARR). In addition, this validation considers the need for more realistic upfront assessments of fund investment pipelines. Padding the list of potential investments with subprojects that do not meet fund requirements may help sell the project but in the end is counterproductive. |
| The Microfinance Systems Development Program experience underpins the need for adequate advisory services to help prepare required legal and regulatory changes to speed up program implementation. The program also shows the benefits of integrated approaches to microfinance development support that promote capacity development of microfinance institutions in conjunction with necessary reforms in the underlying policy environment. [Main text, page 9, section E(2)]    project cycle stage: Design    Lesson Topics:   Finance & Financial Aspects: Financing  Methodologies/Approaches: Program Approach |
| The project completion repoert (PCR) appropriately captures the lessons of the Small and Medium Enterprise Sector Development Program (SMESDP), mostly from its unsuccessful aspects, including the coordination and communication challenges associated with programs that are too broad in scope and involve numerous government entities; the ineffectiveness of high-level coordination bodies; the need for project administration memorandums to help manage project implementation; the need to assess procurement risks and define appropriate modes of procurement and disbursement at the start; the need to adequately assess actual implementation progress, particularly for components that are delayed; and the need to assess the feasibility of earmarking program loan proceeds for program components in light of government financial management and control systems.  The lack of success in restructuring the Small and Medium-sized Enterprise (SME) Bank also reconfirms lessons identified by the Independent Evaluation Department (IED) and other development partners with regard to state bank restructuring, including labor retrenchment and incentive issues, as well as the difficulties associated with privatization such as determining an acceptable sale price and finding reputable strategic investors for a bank with an SME focus. On the positive side, the SMESDP experience also underscores (i) the importance of adequate stakeholder consultations, and timely technical input and stakeholder feedback in policy formulation and legislation; (ii)the effectiveness of a dedicated, autonomous policy advisory, development, and coordination institution (if a competent managerial resource such as the Small and Medium Enterprise Development Authority [SMEDA] is put in place); and (iii) the role that independent performance audits can play in operationalizing matching grant schemes, such as the Business Support Fund (BSF). |
| The main lesson that the project completion report (PCR) highlights is that fast-tracked and complex institutional and policy changes may not be immediately accepted by newly independent countries. Reforms of complexity and size require longer time horizons. This validation concurs with the main lesson of the PCR resulting from experience with this Project. |
| There is a need for closer ADB involvement in critical early stages and greater rigor in government reporting. [Main text, page 10, section E(ii)]    project cycle stage: Implementation    Lesson Topics:   Monitoring & Evaluation: Monitoring and evaluation  Project Management: Project reporting |
| ADB experience in other countries shows that sector development programs can be used to facilitate financial sector development through the complementary and mutually reinforcing use of program, technical assistance and investment loan modalities. However, sustained political commitment is a key prerequisite for success. Lesson (iv) would appear to apply to financial intermediation loans, which were not used in the Rural Finance Sector Development Program (RFSDP). This validation finds that the RFSDP experience underpins the need for realistic assessments of governments' continued compliance with tranche conditions. The RFSDP experience also illustrates inherent incentive problems associated with the restructuring and commercialization of state banks. [Main text, pages 7-8, section E(ii)]    project cycle stage: Implementation, Country Partnership Strategy    Lesson Topics:   Loan Agreement: Covenants  Loan Agreement: Loan Agreement  Modality: Lending modality  Modality: Program  Modality: Technical Assistance  Methodologies/Approaches: Sectoral approach |
| The project completion report (PCR) identifies the following lessons that have emerged from the Improving Access to Financial Services (Phase I) Program (IAFSP): (i) the experience with the endowment fund suggests that ADB cannot depend on the borrower to meet all deadlines contained in the loan agreement without proactive monitoring; (ii) turning over responsibility for achieving program objectives to a committee of part-time, unpaid volunteers may delay the realization of such objectives; (iii) policy measures cannot single-handedly increase financial access, especially in the short term; (iv) improving access to microfinance requires improvements in the sustainability of microfinance institutions; and (v) a short-term program should not include outputs that cannot reasonably be achieved within the program period. While agreeing with lessons (iii) to (v), this validation, bearing in mind the experience with the endowment fund, considers that the earmarking of program loan funds for capacity development purposes was probably not the most effective mechanism to achieve the intended results. In this particular case, a project loan or TA loan might have been a more appropriate modality to support capacity development. |
| The project completion report (PCR) draws several lessons from the project implementation. Project experience raises a larger question: whether actions to improve labor rights and welfare are compatible with ADB's existing lending modalities of program, sector, and investment loans. The experience in Pakistan shows that existing ADB lending modalities do not allow for promotion of labor rights. Links between labor rights and welfare, good governance practices, poverty reduction, and the improvement of labor rights through loans by multilateral financing institutions are relatively under-researched, at least with respect to Pakistan. Given ADB's focus on good governance and poverty reduction, the PCR urges that those links be explored.  A multisector community development project must be organic in nature, i.e., it must be self- operating, which reduces the coordination demands on the executing agency and the need for monitoring by ADB. This can happen only if (a) the design includes comparatively more tested and proven interventions and fewer new initiatives; (b) the interventions are limited in number and strategic in nature; and (c) if a suitable executing agency and nongovernment organizations (NGOs) are selected at the appraisal stage.  Given the sector mandate of line agencies in Pakistan, provincial planning and development departments are the best institutional homes for multisector projects, as these are the only departments with a multisector mandate. In addition, they have established reporting lines, and institutional relationships with line departments and district governments.  The approach of involving multiple district-based NGOs in community mobilization and selecting them through the national competitive bidding process was not successful because of (a) their lack of capacity, (b) politicization of the recruitment process, and (c) the lengthy and cumbersome process of recruitment through national competitive bidding.  Projects that are innovative in nature or complicated in design inherently involve delays and require intensive ADB supervision. Community development projects require additional time, and proper arrangements for community mobilization and social preparation processes. ADB experience shows that such projects should be designed with implementation periods of not less than 7 years. This validation concurs with these lessons. |
| The lessons identified in the project completion report (PCR) are as follows: Fiscal reforms trigger political opposition that necessitates close consultations between the government and ADB to strengthen the government's ownership and the continued commitment of ADB. Further, broad-based reforms such as those undertaken under the Punjab Resource Management Program (PRMP) require long-term institutional development and long-term engagement. A move from a multi-tranche program cluster approach (as in the PRMP) to a single-tranche program within a program loan cluster (as in the Punjab Government Efficiency Improvement Program) will improve flexibility and allow targets to be achieved at the time of tranche release. This validation concurs with the lessons identified in the PCR. |
| The project completion report (PCR) identifies several lessons learned from implementation of the project. At present, there is no system for acquiring accurate international roughness index data for provincial roads, which is important to cost and benefit assessment. For better accuracy, a road-condition survey should be carried out just before evaluating a project, and input parameters to HDM-4 should include the international roughness index, with a projection taking into consideration deterioration at half-yearly intervals until the expected start of construction.  The road network in Sri Lanka is dense by international norms. Therefore, a priority maintenance assessment should be made for a core provincial road network, leaving the less important parts of the network to local authorities or even abandonment.  PCR also stated that follow-on projects should be restricted to one or two provinces at a time to better focus on institutional strengthening. Implementation arrangements should involve PRAs to a greater degree, rather than leaving funding of provincial roads solely to the ministries in Colombo. Provincial councils should be accountable for covenants that address issues for which they are directly responsible. |
| This validation adds the need for steps to be taken at an early stage to keep the technical assistance (TA) on track, and ensure that it is being managed according to the objectives of the loan program that it is supporting. The Independent Evaluation Department's 2005 Sector Assistance Program Evaluation for Social Sectors in Pakistan infact had anticipated these based on the issues that it identified from the then implementation of Sindh Devolved Social Services Program. It noted that ï¿½while the program was well underway, the supporting TA loan for local government capacity building had still not become effective, thereby delinking funding and capacity building.ï¿½ It further highlighted the role of provincial line departments to dominate TA support and absence of monitoring systems to report progress. [Main text, page 6, section E(ii)]    project cycle stage: Implementation    Lesson Topics:   Modality: Technical Assistance  Project Management: Project management |
| 1. The Anhui Provincial Government and ADB should ensure that the executing agency and/or project management office staff has the capacity to carry out the procurement in accordance with ADB guidelines before project procurement starts. This requirement should be made integral to the outputs of the project preparatory technical assistance and recorded in the report and recommendation of the President. [Main text, page 9, section E(ii.b)]    project cycle stage: Implementation    Lesson Topics:   Project Management: Executing/Implementing agencies  Project Management: Procurement    2. ADB should obtain a stronger commitment from executing agencies to institutional strengthening and provide stronger monitoring and evaluation to meet that commitment. [Main text, page 9, section E(ii.b)]    project cycle stage: Implementation, Country Partnership Strategy    Lesson Topics:   Monitoring & Evaluation: Monitoring and evaluation  Project Management: Executing/Implementing agencies  Capacity Development: Ownership |
| This validation notes that the lesson regarding policy reform failed to emphasize the need for all parties, particularly those at the provincial and district levels, to be fully committed to the reform agenda. Support for reform at the central level is not enough. [Main text, page 8, section E(ii)]    project cycle stage: Implementation    Lesson Topics:   Policy & Reform: Policy reforms/framework  Policy & Reform: Reform |
| It is noted that the project worked well with both sides in the conflict, and was well accepted in conflict-affected areas. Developing this type of rapport is important, and reflects well on the project implementers. The lessons should be relevant in other conflict or post-conflict situations.[Main text, page 8, section E(ii)]    project cycle stage: Implementation    Lesson Topics: |
| 1. Overly complex and ambitious projects are difficult to implement especially when the executing agency is not familiar with the procedures and institutional practices of ADB. [Main text, page 5, section E(ii)]    project cycle stage: Design, Implementation    Lesson Topics:   Project Design: Project design  Project Management: Executing/Implementing agencies    2. Even a minor or routine problemï¿½e.g., the currency of the second-generation imprest accounts in the districtsï¿½can prove fatal and bring down the entire project if left unresolved over a long time. [Main text, page 5, section E(ii)]    project cycle stage: Implementation    Lesson Topics:   Project Management: Project management  Project Management: Risks/Risk management    3. The persistence of a minor or routine problem could mask serious underlying issues that the project design left unidentified or unresolved, e.g., ownership of the project objectives or governance issues. [Main text, page 5, section E(ii)]    project cycle stage: Design, Implementation    Lesson Topics:   Project Design: Project design  Project Management: Project management |
| The five lessons given in project completion report (PCR) cover the (a) need for greater emphasis on institutional reform and capacity building, (b) avoidance of delays in loan effectiveness, (c) enforcement of regulations that impact the long-term sustainability of the project, (d) proper implementation of supporting technical assistance (TA), and (e) separate contracting of the monitoring and evaluation (M&E) function. This validation suggests that a higher proportion of the budget should be attributed to nonstructural aspects, and these should be more closely monitored. It may be noted that the review missions, as typified by the midterm and the final reviews, have regarded these nonstructural measures as having been achieved, without looking beyond the simple passing of regulations. |
| The identified lessons are all appropriate and are well presented in the project completion report (PCR). The lessons address the vital importance of establishing an appropriate house connection financing policy. |
| The validation also agrees with the project completion report's (PCR) identification of lessons. The acceptance of weak evidence of compliance, as well as non-compliance or partial compliance in some cases, and revisions of other conditions appears to have been directly caused by the overly ambitious design and low degree of project ownership by the Balochistan provincial government (BPG). |
| 1. Where institutional weakness is evident, means of assuring adequate support could include capacity building technical assistance, over which ADB has more control than it does when using loan implementation consultants. [Main text, page 7, section E(ii)]    project cycle stage: Country Partnership Strategy    Lesson Topics:   Modality: Technical Assistance  Capacity Development: Capacity building  Capacity Development: Capacity development    2. Paying salaries for government staff in project management or implementation units can cause problems of overstaffing or inappropriate appointments. A salary supplement may often be a better option, where essential, but with strict limits on eligibility to avoid the same problems. [Main text, page 7, section E(ii)]    project cycle stage: Design, Implementation    Lesson Topics:   Project Management: Executing/Implementing agencies  Project Management: Project management    3. Rebuilding or rehabilitating public infrastructure in earthquake-prone areas should include earthquake resistance as a key parameter. This did not happen in the project (as far as can be ascertained) and poses a risk for the future. It is noted that many schools in the earthquake-affected area collapsed with major loss of life. [Main text, page 7, section E(ii)]    project cycle stage: Design, Country Partnership Strategy    Lesson Topics:   Project Management: Risks/Risk management  Country Context: Emergency    4. Most importantly, project experience would suggest that, when substantial parts of a project area are struck by a major natural disaster such as the 2005 earthquake, ADB should make a major effort to help the government redesign the project. While the project underwent two changes in scope, these related to increases in unit costs and, to a large extent, withdrawal from earthquake-affected districts. In such situations, ADB may in the future consider redesign to align the project with the needs for disaster recovery, rehabilitation, and reconstruction, meshed with assistance from other development partners. In the project, it may have been possible to effectively reorient the project to focus on reconstructing hospitals and schools in the affected districts or other aspects as decided by the government. [Main text, page 8, section E(ii)]    project cycle stage: Design, Country Partnership Strategy    Lesson Topics:   Project Design: Project design  Project Management: Risks/Risk management  Country Context: Emergency |
| There is a need to avoid including conditions in loans that depend on passing or amending legislation, or seeking high-level approval, such as from the Cabinet. This was the case in the road maintenence component that sought annual allocations in the budget for road maintenance. Projects that require legal or high-level administrative changes often experience major delays or fail to meet their objectives. [Main text, page 9, section E(ii)]    project cycle stage: Design, Country Partnership Strategy    Lesson Topics:   Loan Agreement: Covenants  Loan Agreement: Loan Agreement |
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| The design of the Balochistan Resource Management Program, supported by the technical assistance loan, was meant to promote the use of available fiscal resources for delivering services to the poor. This can happen only if the system that links the financial sector and the delivery of services to the poor exists on the ground, and is functioning properly. The situation in Balochistan clearly did not fulfill these conditions. During Board consideration of the loan, a number of members had raised this issue and cautioned the staff, saying that implementation was going to be key. [Main text, page 5, section E(ii)]    project cycle stage: Design, Implementation    Lesson Topics: |
| The project completion report (PCR) listed seven lessons that stressed the importance of communication among stakeholders at all stages of the project, all of which are reasonable. One lesson, however, appears to raise issues that were not apparent in the text of the PCR. It stated that the ability of nongovernment organizations (NGOs) and the private sector to make a real contribution to extension services depend on their technical and institutional capacity, and this should be taken into account as a basis for selection. Such a lesson implies that other factors were used as the basis for selection. It also stipulated a requirement for orientation of these organizations, implying that this was not done. This introduces concern as to how successful NGOs and private sector providers actually were. Hence, the basis of selection should be made clear, particularly given the increasing number of service providers in the country. |
| The project completion report (PCR) thoroughly discusses reasons for implementation delays and notes that these were issues already known from previous experience in the sector. It concludes that 'there is a clear need to make the fullest efforts, particularly in the early stages, to avoid yet another repeat of these delays.' It also recommends that 'for future projects, more realistic scheduling at appraisal needs to be considered.' The primary new lesson, according to the PCR, is a need for more cohesion of plans and activities between the Road Development Authority (RDA), project implementation consultant, and contractors.  The lessons described in the PCR focus on delays in project implementation issues that seem to be matters of efficiency and organization rather than lessons. Project implementation delays are not unusual and often the rule, not only in Sri Lanka but in many countries. Moreover, the same reasons that caused delays in the Project had been experienced previously in other projects in the road sector in Sri Lanka. If there is a lesson, it could be that it is necessary to learn from experience. |
| 1. An ambitious, complex program or project should not be launched without being fully equipped with adequate technical assistance and other requisite resources, particularly when the design does not provide the option of accessing funds under the loan. [Main text, page 6, section E(ii.a)]    <!-- project cycle stage: Design    Lesson Topics:   Modality: Program  Modality: Project  Modality: Technical Assistance -->    2. ADB must recognize that on-the-ground conditions in the borrower country may change substantially while a program or project is under preparation, especially if the preparatory process is long and the nature of unrest borders on social conflict and violence. [Main text, page 6, section E(ii.b)]    <!-- project cycle stage: Design    Lesson Topics:   Modality: Program  Modality: Project  Project Design: Project design  Country Context: Conflict/Post-conflict -->    3. If a program or project appears to be ambitious and complex and runs against changing on-the-ground conditions, there should be flexibility in implementation plan to reduce the scope and focus on the essential core of the program or project. The policy matrix should clearly identify such core issues beforehand. [Main text, page 6, section E(ii.c)]    <!-- project cycle stage: Design, Implementation    Lesson Topics:   Modality: Program  Modality: Project  Project Design: Project design  Country Context: Conflict/Post-conflict --> |
| Implementing a large-scale reconstruction program within a 3-year period was not practical. The project could have been prepared as two separate loans - one for the immediate relief and rehabilitation and the second as a normal or sector loan project covering the reconstruction phase. In the recovery phase, which is generally limited to 2 years for natural disasters, only immediate, short- term assistance is provided for the rehabilitation or reconstruction of critical infrastructure.  Civil works, particularly in urban areas, should be sequenced so that water supply, sewerage, drainage, and other projects requiring underground work are substantially complete prior to award of road contracts.  The construction of public buildings and staff quarters should be selective and minimized given the inability and/or lack of interest by municipalities to maintain and use them for the planned purpose.  ADB stipulated that reimbursements be immediately credited to the second generation imprest account (SGIA). The transfer of funds from the government to SGIA took about 3 months, moving through several institutions and levels of government. ADB must appropriately define what 'immediately' means.  Capacity building for operation and maintenance (O&M) of assets requires careful attention and needs to be incorporated into loan processing and included in the follow-up to the emergency loan. The capacity of municipalities for O&M is limited, and they need to be provided with capacity building assistance. |
| The project completion report (PCR) identifies a number of relevant lessons that need to be learned and acted upon. The validator agrees with these lessons. Adequate provision for supervisory resources should be made reflecting a project's complexity and geographic spread. Enforcing covenants that cut across government agencies can cause significant delays, but an integrated approach also has its benefits. Procurement and supervision and related project management activities need to be improved by the Directorate General of Highways (DGH). Other lessons identified by the PCR validation report are (a) to ensure sustainability, the government needs to establish sound road maintenance regimes and provide sufficient resources; and (b) institutional development is clearly an area which the government could improve upon. The PCR has identified six recommendations. As it is rather ambitious and difficult for the regional department to monitor all of these, some of these recommendations could be shifted to lessons identified. |
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| The lessons cited by project completion report (PCR) are crucial. First, diversification of institutions providing financial services to the poor will lead to more competition and efficiency in the market. Unfortunately, the program supported only one institution (Khushhali Bank) that relied heavily on government support and low-cost funding from the investment loan. Second, measures and necessary conditions need to be set to ensure sustainability. The program framework was oriented toward expanding microfinance outreach and did not provide specific measures to ensure sustainability of operations. Experience from the program also highlights the importance of savings mobilization in operating sustainable microfinance programs. The availability of low-cost funding from the investment loan undermined Khushhali Bank's motivation to tap deposits from the public. Thus, it was unable to provide the motivation and incentive to build a strong deposit base that could have become a steady source of loanable funds. |
| The project completion report (PCR) draws particularly on the midterm review in elaborating the lessons. The central theme is that not enough cognizance was given to the fact that the program was dealing with a basically new situation and one that not all parties involved had fully bought into. Because of this, the program was ambitious and failed to take account of the low capacity for managing such major institutional changes. The program should have proceeded at a pace more commensurate with institutional conditions and with strong technical assistance (TA) support. This validation concurs and notes the failures in the overall timing. The program was too short to achieve its objectives, and the laudable decision to conduct a fairly comprehensive independent midterm review was nullified by conducting it only 6 months before the closure of the program (excluding the separate TA loan). |
| The lessons presented in the project completion report (PCR) were drawn from experience in implementing the Coastal Fisheries Management and Development Project (CFMDP). The lessons were mainly administrative, which indicates the need for strong and effective project management. For example, the National Fisheries Authority (NFA) should have been provided logistical and staff support in early stages of project implementation after loan effectiveness. Also, roles and responsibilities needed to be clarified early on so that implementation delays could be avoided. For instance, the PCR pointed out the need to determine early if project administration was to be delegated to the resident mission, and for ADB to ensure the smooth handover of the project administration to the resident mission within 1 year of loan effectiveness. |
| The project completion report (PCR) recommends that bidding documents be prepared based on detailed designs and not preliminary or feasibility design. The Ministry of Communications has subsequently adjusted regulations incorporating this suggestion.  The detailed design apparently did not take into consideration envisaged socioeconomic development in the project area. As a result, some expressway facilities such as entrances, exits, and service and toll facilities are inadequate and result in bottlenecks and other inefficiencies.  In many of the early ADB-funded expressway projects in the People's Republic of China (PRC), adequate ADB staff was not available to help design and monitor the implementation of the resettlement plan. This led to apparent inequities and other shortcomings. The PCR has provided suggestions to improve the process such as updating the resettlement plan when new data are available, better supervision by ADB, better monitoring, and more timely submission of monitoring reports. |
| The Independent Evaluation Department (IED) concurs with the three main lessons stated in the project completion report (PCR). First, the project design was developed over a long period of study by agencies of the People's Republic of China (PRC) and refined by ADB. Clear guidelines were laid down for all phases of the work, and both ADB and the PRC agencies were committed key players. Second, despite several years of dialogue and technical support and the stated commitment to full cost recovery, the Harbin Municipal Government (HMG) delayed implementation of this critical element. Efforts should continue to ensure that the principle of full cost recovery is rigorously pursued by the Harbin Municipal Water Supply Construction Company (HMWSCCC), so that future sudden tariff increases are avoided. PCR stated that 'failure to raise tariffs steadily to cost recovery level is counterproductive unless a specific subsidy regime is put in place. Third, delays in the appointment of consultants had cased serious negative impact in meeting resettlement report update compliance, which must be monitored both by ADB and the executing agency (EA), given the magnitude of affected persons in the project. |
| The project completion report (PCR) lessons flow well from the text and are fully endorsed by the Independent Evaluation Department (IED). IED has the following lessons to add:  (a) Small contractors often lack financial as well as technical and project management capacity, which causes delay in mobilization and completion of the works.  (b) Legal action against the responsible contractor(s) and agency staff is a necessary instrument to control corruption. |
| The Independent Evaluation Department (IED) agrees with the lessons pointed out in the project completion report (PCR) and finds them valuable especially in the future design of microfinance projects.  It is important to emphasize further that, to succeed and be sustainable, microfinance programs must be professionally managed like any other business. Loans must be repaid and the microfinance institutions (MFIs) must operate efficiently to continue providing the much-needed financial services to poor households. The selection of an appropriate executing agency is a critical factor in the success of a microfinance program. Nonfinancial government agencies like the Bangladesh Rural Development Board (BRDB), despite their strengths in rural development, lack the capability for sustainable microfinance programs that require specialized skills and good governance. An apex lending institution with proven experience in microfinance would have been the more appropriate choice.  Another lesson that can be drawn relates to the targeting of project participants. The project was designed to target the poorest, particularly widows, divorced and destitute women, and others with no regular source of income. However, some 33% of the beneficiaries were reported to be above the poverty line. While this is an indication that the selection criteria were not strictly applied, it also illustrates the limits of microfinance in reaching the poorest of the poor.  Experience with other ADB microfinance projects has shown that the poorest of the poor, despite being targeted in the design, generally do not constitute a significant proportion of the project beneficiaries. Moreover, microcredit often does not reach the poorest (those at the bottom of the income distribution). In practice, MFIs, driven by cost-efficiency and financial sustainability concerns, tend to target those with greater repayment capacity. The poorest also need a range of other services besides microfinance, such as training, health provision, livelihood, and social development. The destitute have very limited capacity for debt and often no income to repay loans. Thus, microfinance alone may not be the appropriate solution for them. Further, microfinance needs transparency and reporting of performance to work at its best. Irregular and unstandardized reporting on operations and financial management among the upazila bittaheen central cooperative associations (UBCCAs) made it difficult to monitor and respond on time to delinquency, repayment, and sustainability problems. MFIs must report accurately on financial and social indicators to perform better.  Experience from the implementation of the project highlights the need for effective support for sustainable MFIs. Constraints on outreach and financial sustainability must be addressed, and performance standards installed to ensure monitoring and supervision. To achieve sustainability and widen outreach, the capacity of MFIs must be strengthened. A microfinance project as such this one should, moreover, follow internationally accepted guidelines and principles for the design of microfinance projects. |
| Three major lessons have been identified by Independent Evaluation Department (IED): (i) projects, particularly those market-oriented, should have inbuilt flexibility or mechanisms to respond quickly to changing economic environments and to accommodate market volatility; (ii) early warning signals should be closely watched during project implementation to quickly reformulate project parameters to place the project back on track to meet project objectives as envisaged at appraisal; and (iii) need for ADB to address the question whether it was feasible to support market-based lending under credit lines in foreign exchange for relending in local currency loans using swap arrangements (swap arrangements were not freely available and were expensive) to meet housing needs of low-income households (LIHs). Questions also arose in this regard on issues such as affordability, high intermediation costs, and difficulties of assessing risks. Perhaps, a more prudent approach could have been to address policy and institutional reforms through the program-based lending modality to strengthen institutions and policies to facilitate a greater availability of resources, and easier access thereto, on a sustainable basis, for meeting LIH housing requirements. The project completion report (PCR) also identified useful lessons, particularly on the need for products such as mortgage insurance and title insurance, and for improving land titles to increase lending to LIHs and help in delinquency management. |
| The change in the set of subprojects actually supported (versus the candidate subprojects or those short-listed for support at appraisal) indicates the need for a thorough due diligence on the likelihood of the need for a particular transmission subproject during the intended project timeline - especially when it is linked to the coming onstream of additional power generating capacity. In this specific context, due consideration should have been given to (i) the situation with regard to natural gas availability in 2000 (as three subprojects were clearly linked to the expansion of existing gas fired power plants), and (ii) realistic project timelines for large hydroelectric projects in India.  Nonetheless, the flexibility required to change the list of subprojects for support, which was accorded by the sector loan approach, indicates that the sector modality was appropriate.  Proper planning (and where needed, advance action), effective project monitoring, and motivated and well-trained personnel make possible the timely and successful implementation of power transmission projects.  Regular ongoing interaction with the Government is necessary to ensure that the broader strategic aspects (such as regulatory issues, commercialization, etc.) are in place to make infrastructure projects successful. |
| The Independent Evaluation Department (IED) is in agreement with the key lessons presented in the project completion report (PCR). However, an important lesson should have been reiterated, namely that strict implementation supervision by competent ADB staff is crucial, in particular for projects with an innovative approach and when the Directorate General of Regional Development (DGRD) lacks the required expertise needed for this approach. Without a comprehensive and critical midterm review (MTR) and subsequent strict implementation supervision by ADB staff, IED considers it doubtful whether the Project would have been implemented on time and have become successful.  According to the PCR, only two of six hydropower units are in operation because of inadequate water head and/or electro-mechanical faults. IED considers that an obvious lesson is missing in the PCR, namely that comprehensive hydrological surveys should be undertaken prior to procurement and installation of hydropower units. In addition, arrangements for the recovery of operation and maintenance costs from users and adequate maintenance mechanisms should already be in place. |
| The Independent Evaluation Department (IED) agrees with the lessons learned from project implementation and considers them valuable to ADB operations. The active involvement of rural communities in planning and management of their own development activities significantly reduced infrastructure costs and caused them to take more responsibility in operating and maintaining the infrastructure they constructed. The project highlighted that a package consisting of rural infrastructure undertaken by villagers, accompanied by human resource development and access to financial services, promotes development in poor villages and helps improve their welfare. |
| The Project provided valuable lessons on targeting and setting the selection criteria for participation. The Project showed that those who directly manage estate crop production, and who derive 50% or more of their household income from it, tend to practice integrated pest management (IPM) more seriously than those whose income is derived from other activities. Specifically, targeting this group would have greater development impact and would likely contribute to an even more widespread adoption of IPM.  The lack of a component on processing, marketing, and enterprise development, constrained farmers from taking advantage of market opportunities. In view of the growing demand for pesticide-free and organic farm produce, this would have benefited the farmers economically.  The project benefit monitoring and evaluation (PBME) system should have been established at the initial phase of implementation so that the progress and status of the Project could have been easily tracked, and necessary actions taken on time. Typically, the PBME system should include project performance indicators and a baseline socioeconomic survey that will be used for assessing socioeconomic impact.  The Independent Evaluation Department (IED) finds the lessons presented in the project completion report (PCR) helpful and valuable. ADB needs to consider these in future similar projects. |
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| The project completion report (PCR) noted that broadly based reforms, such as those pursued by the Financial Governance Reforms: Sector Development Program, require long-term institutional development, which can barely be accommodated even in a three-tranche program loan. It suggested that a program cluster approach would have been more useful in this regard, as it combines a long-term approach that permits covering a wide range of policy and institutional reforms with flexibility to adjust to changing circumstances. It also permits proceeding with the gradual introduction of critical components such as corporate governance and the optimal treatment of private sector obligations (PSOs). The cluster modality is also a useful instrument for establishing benchmarks and unifying policy makers who advocate reforms. A move from a program cluster approach with several tranches each to a medium-term framework based on a series of single- tranche programs within a program cluster could be recommended to provide more flexibility while focusing on achievable, upfront outcomes. With such an approach, ADB could also support genuine commitment by relevant stakeholders over a longer period of time.  The Independent Evaluation Department (IED) agrees that a longer-term focus and approach is necessary for such fundamental (and time-consuming) reforms with significant institutional and political implications. What is most needed is consistency within country programming to ensure that initiatives like this Program, once started, are carried through. |
| Validation fully endorses the important lessons given in the project completion report (PCR). It also notes the fundamental importance of clear reporting in review missions, back-to-office reports, and PCRs of variations between project design and implementation and associated reasons. |
| The Independent Evaluation Department (IED) is in agreement with four main lessons stated by the project completion report (PCR). As inferred above, IED concurs with the PCR that the main lesson learned from the Project is that civic participation positively affects urban governance; participation also benefits project implementation. Project implementation, through village committees with contracts to the district, 'ingrained in the communities a level of trust in their dealings with the government and project staff.' Poverty alleviation was a major ADB policy at the time of project approval, and IED considers that that a high level of civic participation in project implementation, along with the support of community organizations for the local civil works, can be applied to other ADB projects of this nature. This is especially relevant given ADB's policy of poverty alleviation. Most other developing member country attempts at local, low-income area development have been thwarted, either by local government by-laws, insignificant government budgets and/or lack of concern for development in low- income areas. The village area improvements (VAI) program demonstrates that mobilized communities can take charge of their own development, and that in such instances government development expenditures are usually far less than those dictated in top-down budgets. |
| The project completion report (PCR) lessons are fully endorsed by the Independent Evaluation Department (IED). IED has no further lessons to offer. |
| The project was a success and the following lessons were learned: (a) the development of the housing sector could be best done through a two-stage basis: by ADB providing technical assistance (TA) for establishment of the legal, regulatory, and policy frameworks, and by providing a follow-up loan to assist housing development; (b) cooperative and coordinated efforts by the government, ADB, other donors, and local governments are required to provide the needed infrastructure facilities and urban services; (c) the project had inbuilt flexibility to shift funds between the various subcomponents, which ensured greater loan utilization; and (d) sub-lending should be done only through banking/financial institutions (participating commercial banks or PCBs in this case) and not through other institutions as tried under this project (public and private enterprises, contractors) since they lacked lending and loan recovery expertise. |
| The project completion report (PCR) listed a number of lessons that essentially address two key areas. The first reiterates the importance of a proper understanding of the policy and institutional environment at the design stage. The second relates to the success that can be achieved by good social mobilization and proper guidance and training of beneficiaries. One further lesson from the Project could be drawn. While there were significant weaknesses in the design of the Project, it had the merit of basic simplicity. It drew on proven technologies with known approaches. |
| The project completion report (PCR) succinctly captures the lessons from the successes and failures of the program. |
| The project completion report (PCR) listed a number of lessons that essentially focus on the importance of capacity building, at all levels, based on a sound understanding of needs. The Independent Evaluation Department (IED) would add the need to ensure that there is a sound understanding of the financial market into which a new player is to be introduced, both to prevent the problems of lending terms, which so delayed the implementation of the Project, and to ensure that the impact of the new player on the existing market is taken into account. |
| The Independent Evaluation Department (IED) has no disagreement with the major lessons presented in the project completion report (PCR). However, more explicit emphasis should have been placed on stricter and more effective supervision by ADB staff during implementation to ensure that the primary purpose of the Project (i.e., poverty reduction) was rigorously pursued by insisting that the proposed poverty targeting (as presented in the report and recommendation of the President or RRP) be maintained. Similarly, loan covenants on benefit monitoring and evaluation (BME) and sustainability issues should have been more rigorously pursued by ADB during implementation. |
| The Independent Evaluation Department (IED) agrees with the four lessons stated in the project completion report (PCR) resulting from the Project's successful implementation. These were (a) active involvement of beneficiaries in the project processes through social mobilization; (b) training, awareness raising, and capacity building of beneficiaries in the ensuring sustainability of the subprojects; (c) appointment of qualified staff and retaining them for the duration of the Project to avoid implementation delays; and (d) active support of the provincial government and of senior executing agency (EA) management in project implementation. Furthermore, continued capacity building support to the community-based organizations (CBOs) is required for the sustainability of community infrastructure. |
| The project completion report (PCR) recommends that bidding documents be prepared based on detailed designs and not on preliminary design. Subsequently, the Ministry of Communications was reported to have adjusted regulations incorporating this suggestion.  In a similar vein, detailed design apparently did not take into consideration envisaged economic development in the project area. As a result, some expressway facilities such as entrances, exits, and service and toll facilities are inadequate and create bottlenecks and other inefficiencies.  In many of the early ADB-funded expressway projects in the People's Republic of China (PRC), adequate ADB staff were not available to help design and monitor the implementation of the resettlement plan. This led to apparent inequities and other shortcomings. The PCR has provided suggestions to improve the process such as updating the resettlement plan when new data are available, better supervision by ADB, better monitoring, and more timely submission of monitoring reports. |
| The project completion report (PCR) suggested several logical and appropriate lessons. In addition, the validation report had identified the following lessons for the East Asia Department to take on board: (a) the source of funding land acquisition should be clearly identified at appraisal stage. Taking into account the fact that provincial governments are likely to face budgeting issues, the Ministry of Railways (MOR) should be made responsible for ensuring smooth and timely availability of funds; and (b) construction of railway tracks and expansion of railway network needs to be accompanied by complementary investments such as construction of industrial sidings, and rail station access and link roads. |
| This validation generally agrees with the lessons identified in the project completion report (PCR) and summarized here:  (a) An in-depth geological survey, including more extensive soil testing, is needed before finalizing an alignment to avoid frequent changes in technical specifications during construction.  (b) A wider median should have been considered to allow safe maintenance and future expansion of the expressway.  (c) Recommendations from the road safety audit should be fully implemented.  (d) Periodic reports on land acquisition and resettlement in general were not well prepared and lacked detail. Proper monitoring and correct reporting would have benefited from the participation of a resettlement specialist in the loan review missions.  (e) Adoption of a uniform design standard wherever possible for a continuous stretch of highway would help avoid road accidents.  In addition, this validation highlights the importance of putting in place a PPMS to ensure that project facilities are managed effectively and relevant baseline data are generated, including meaningful and monitorable indicators. |
| (a) Toll increases and the expanded value added tax negatively impacted financial performance. It would have been preferable to include a capacity charge in the tariff formula, and possibly even to use the Private Finance Initiative (PFI) model in which traffic revenues are decoupled from payments to the project company.  (b) Debt servicing might not have been a problem at the time the Extended Annual Review Report (XARR) was prepared due to the improvement in the peso's standing vis-a?-vis the dollar, but as recent developments show, currency rates can be highly volatile and must be constantly monitored. |
| The project completion report (PCR) indicated the main lesson as recognizing that future performance of irrigation schemes will largely depend on improvements in farmers' water management, and specifically that farmer irrigators' service cooperatives (FISCOs) need to be stronger. The PCR suggested that the National Irrigation Administration (NIA) should hand over local management to FISCOs despite their weakness, which might precipitate more effective action from FISCOs (though this is, perhaps, more in the nature of a recommendation). The Independent Evaluation Department (IED) would add to this the lesson that needs to be learned for future project design. Although the report and recommendation of the president (RRP) acknowledges the importance of the agricultural and institutional aspects, learning its lessons from other ADB and non-ADB projects, in practice, it gave inadequate attention to these matters. The funding and other resources allocated to establishing the systems for operating and maintaining the schemes were not in proportion to those allocated to physical works. There needs to be genuine recognition of the input required to establish the capacity to manage irrigation at the community level, and to embed improved farming practices. At appraisal there was not even a nominated counterpart agency for the agricultural improvement component. More appropriate design needs to be backed by more appropriate monitoring of project progress and the flexibility to apply additional resources to components that are not achieving their objectives. Additional lessons may be learned from the Project: (i) not to expand the scope of a project when the initial project is already underachieving and (ii) the need for a careful analysis of how agrarian relations and interlinked markets in rural areas influence the behavior of farmers and other economic agents. There seems little doubt that the introduction, midway through the Project, of the Marabong dam distracted NIA from dealing with the problems of the originally designed project. |
| This validator concurs with lessons identified by the project completion report (PCR):  (a) This was the first project of its type in Tajikistan. The executing agency was not familiar with ADB procedures and policies. When projects are new to a sector, ADB should exert extra effort to ensure that the startup and implementation will be carried out smoothly.  (b) Frequent changes of ADB project officers negatively affect project performance, and efforts should be made by ADB to minimize such changes.  (c) Delay in implementation from the time of project identification and appraisal often results in significant changes at the start of construction and during implementation. Means should be sought to minimize the impact of changes in design and civil works contracts.  This validation exercise also identified additional lessons for consideration in future ADB operations:  (a) To have a good road for 250 km, arrangements for parallel or cofinancing should have been explored at the start. In the absence of other financing source, this could have been part of a rolling program to ensure the entire road length was brought to a sustainable and trafficable standard. Without doing this, a piecemeal intervention provides no assurance that the situation could improve significantly in the longer term.  (b) Where appropriate, candidate project roads (in this case feeder roads) should be identified at the time of appraisal to strengthen the accuracy of budget estimation. |
| The project completion report (PCR) made a number of observations and suggests lessons, which remain valid. ADB should have recognized the Republic of the Marshall Islands' (RMI) financial limitations even during project preparation and funded certain activities that were crucial to the success of the Project, such as the project management unit (PMU). Also, ADB staff could have provided more direct assistance in activities (such as consultant selection) where the executing agency (EA) was demonstrably weak. The PCR cited several other lessons. An important one with wider application involves ADB's procurement guidelines, which do not cater well to small isolated countries with many and diverse subprojects. This needs to be reviewed and considered further. Similarly, the PCR suggested that applying overseas environmental practices and standards was probably not appropriate to the RMI and the small level of subproject impact.  The country's poor financial situation was recognized as a risk from the beginning. The PCR rightfully raised the question as to '....whether ADB as the principle lender to RMI could have anticipated these difficulties and should have acted sooner' than it did to limit wasted time and resources. The answer is likely yes, but this would have required additional ADB resources for monitoring and analysis. Nevertheless, this is a relevant question that should be raised during preparation and implementation of future projects prepared under similar circumstances.  The Project also demonstrates the importance of fiscal sustainability, especially for operation and maintenance, and for large projects in small countries. Guidelines on economic analysis of projects stipulate that such analysis is necessary when a project is large in relation to the Borrower's economy. |
| The extended annual review report (XARR) cites two main lessons drawn from the Phu My 3 (PM3) Power Project. One is the need to synchronize the timing of upstream and downstream projects in an integrated power project to ensure the most efficient use of resources. The second is the need to finalize key project documents at the same time to ensure consistency in terms and principles. |
| The project completion report (PCR) drew many lessons from the Project, covering (a) the need for an extended implementation phase, (b) better matching of investment with government capacity, (c) project design that aligns with the Government's procedures, (d) the use of appropriate institutions to implement the Project, and (e) more realistic and flexible matching of consultant input to project progress. From this validation, more realistic design is the main lesson. It may be noted that while the Board endorsed the Project, two relevant concerns were raised. One member expressed concerns that the Project would have difficulties with bureaucratic procedures in Viet Nam; another described the Project as high risk due to the perceived weakness of the Ministry of Agriculture and Rural Development in community-based approaches.    Project design must take more realistic account of existing institutions, processes, and procedures. If these are not in accordance with the requirements of a project, then either the project should not proceed or should only proceed if irrevocable agreements are in place to allow the project to function in accordance with its design. It is hoped that the lessons coming from the Project have been taken into account in the design and implementation of the Forests for Livelihood Improvement in the Central Highlands Project. |
| The Independent Evaluation Department (IED) agrees with the lessons identified from the formulation and implementation of the program:  (a) a reform program formulated through the Poverty Reduction Support Credit (PRSC) process is likely to enjoy strong government ownership and be successfully implemented;  (b) the large number of development agencies participating in the PRSC process in Viet Nam enables ADB to promote, with relatively small amounts of financing, a broad range of policy reforms that are needed for achieving the objective of its country strategy and program (CSP);  (c) the staff time required for ADB to participate in the PRSC process can be reduced or rationalized by focusing on policy actions that are particularly relevant to ADB's operations in Viet Nam and by avoiding duplication of the World Bank's work on social and environmental safeguards;  (d) a program to be implemented over a short period should not have outcome performance targets that require complex economic, legal, and institutional reforms; and  (e) having a separate PRSC coordination unit (with full-time staff) at the State Bank of Viet Nam and PRSC focal points at other relevant government agencies is a more effective implementation arrangement for the PRSC process on the Government's side than utilizing a PRSC secretariat that comprises senior government officials but lacks full-time staff. |
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| The project completion report (PCR) notes that while all parties, including ADB, performed relatively well, the Project experienced delays and had design difficulties that can be avoided in the future. These are summarized here.  Delays were generally due to weak project management and limited assets of the contractors; design changes; cash flow problems associated with availability of counterpart funds; and limited understanding of ADB procedures and requirements by the Ministry of Public Works and Transport (MPWT), particularly regarding resettlement.  Some of the lessons are obvious. For example, prequalification of contractors should be conducted more carefully to ensure that only qualified contractors with the required capacity are awarded contracts. ADB should continue to make every effort to ensure that MPWT staff are familiar with ADB procedures and requirements before the start of a project. It is noted that efforts have been initiated by ADB recently, and it is expected that they will bear results in the future.  Designs are often changed during implementation of a civil works project. This Project was no exception, but the faulty design of the roads in hilly terrain should not have been accepted by ADB. Clearly design standards and design review procedures need to be strengthened. |
| Overdependence on consultants for project implementation minimizes initiatives of the executing agency's (EA) staff for implementing projects. On the other hand, technology transfer is an essential part of development. Thus, there is a need, in project formulation, to balance the use of consultants with the capabilities of the EA.  Fewer approval steps for procurement helps with timely implementation of projects. The full financial authority exercised by the Power Grid Company of Bangladesh (PGCB) and Dhaka Electric Supply Company (DESCO) helped accelerate project implementation.  A gradual approach to reform is most appropriate for a complex, integrated power sector, such as in Bangladesh. This allows time to change prevailing mindsets; to build consensus, trust, and ownership among stakeholders; and demonstrate the tangible benefits of reform. |
| The lessons set out in the project completion report (PCR) were well detailed, and based on the discussion in the text, are fully supported by the Independent Evaluation Department (IED). However, since project implementation, approaches to similar projects have evolved in both ADB and India. In ADB, the sector program approach with accompanying technical assistance (TA) has become the general modality; while in India, financing of urban infrastructure through bond issues and general tax revenue has become more widespread. Hence, ADB should consider the lessons learned from the Project not only for future projects in India, but also in other developing member countries where urban institutions are less developed. For example, financing of large infrastructure projects such as roads, bridges, and dams lend themselves to commercialization; while financing of smaller urban service projects such as water supply and sanitation (WSS) depend largely on local government capacity, tariff policy, and effective project design. These, in turn, require strengthening local government institutional and financial capacities to structure and implement sustainable projects. IED notes that upfront TA projects, such as those proposed in the project preparatory TA, will result in a greater degree of achievement of project outcomes. |
| The project completion report (PCR) provided a long list of lessons learned. The most notable are (a) the project design and implementation schedule should be detailed and logical to avoid confusion; (b) clear operating procedures and instructions relating to responsibilities and decision-making authority among all the parties concerned should be issued before project implementation; (c) sufficient time should be allowed for implementing a capacity-building project, particularly when the so-called 'new paradigm' of decentralization is to be established in a dynamic and still unsettled environment; (d) the roles and responsibilities of various offices and committees temporarily established for project implementation should be formally authorized to ensure they are able to fulfill their mandates without resistance from the established cadre; and (e) project implementation arrangements should be carefully prepared, as the large number of implementing institutions and corresponding project managers and technical teams for monitoring and guiding the consultants, made coordination more difficult.  The Validator considers these lessons to be relevant and adds that (a) project proposals should be prima facie viable and implementable - the complex and overly ambitious design of this Project calls into question the viability of its original formulation, and (b) difficult and ambitious projects should be provided adequate support and supervision - the sparse attention provided this Project by ADB (based on the number and length of review missions) raises questions about the institution's commitment to project quality. |
| The project completion report (PCR) identified five useful lessons, with which the Independent Evaluation Department (IED) agrees.  Regarding the PCR's lessons), the task of supervising construction work is generally included in consultants' terms of reference. However, there are usually two reasons that consultants are unable to supervise these contractors properly, as in this Project: (a) the consultants are unqualified to do so; or (b) their person-months are inadequate to execute their terms of reference. The quality of any contractor's work must meet technical specifications, and if the required quality is beyond the local contractors' capability, the bidding system should be applied for international competitive bidding to achieve the certain level of work quality even though cost increases. |
| The project completion report (PCR) listed 11 lessons, though to some extent, these constituted recommendations. All have been largely covered in the preceding reviews of the Project, and all are reasonable. The Independent Evaluation Department (IED) has drawn the following main lessons.  (a) In the design of a project covering research, testing, demonstration, and farmer adoption, the responsibilities of research-based agencies and extension services must be made clear. Realistic targets must be detailed in the project design as to adoption by farmers directly as a result of project intervention and wider-scale adoption supported by the extension services, drawing on the demonstration activities of the research agencies.  (b) Applied research should take realistic account of the environment within which technology packages will be applied. There is little point in expending effort on packages requiring levels of extension, infrastructure, financial, and marketing services that are not generally found. In this same context, ADB must be clearer in directing its support and in distinguishing between research and extension activities; the proposal made at the Management Review Meeting that the Project should take a phased approach might have merited more favorable consideration.  (c) The interface between research, testing, demonstration, and the extension services must be built into project design. Problems encountered in the Project might have been averted if a more phased approach had been adopted, as suggested at the Management Review Meeting.  At a more general level, the Project had four components, 12 subcomponents, and 76 performance targets (effectively activities). Several targets were poorly differentiated, and the Project was highly prescriptive, leaving little flexibility during implementation. Perhaps guidelines would have helped in designing subprojects, in which there is adequate detail to ensure that goals and outcomes are met without excessive prescription.  Moreover, although there were positive indications that the Project carried out an adequate monitoring and evaluation system, its design, implementation, and utilization was not well described. The PCR should have provided for better coverage of this. |
| The project completion report (PCR) provided a number of lessons learned. These include (a) local culture impacts outcome, (b) water and land issues are interlinked, (c) multidimensional projects need effective coordination, (d) organizational change requires time, (e) service improvement requires ongoing motivation and sufficient human resources, and (f) simple and appropriate solutions are less costly and more sustainable. The Validator notes that these are valuable lessons and relevant to most (if not all) of ADB's projects - not just those in this sector or the Pacific region. |
| The project completion report (PCR) noted that the following lessons were derived from the Project:  (a) Corporate sector reforms require a strong long-term commitment, especially in a transition economy.  (b) Careful preparation of interventions should aim to prevent sequencing problems. In this context, the timing of corporate governance reforms should be coordinated with financial sector and judicial reforms, because they are interlinked.  (c) Building capacity for reforms in state agencies requires competitive wages to be paid to experts employed by these agencies. If competitive salaries cannot be sustained beyond the project period, the type of capacity building supported under the Project cannot be sustainable.  (d) In addition to legal and judicial reforms, securities market development is also crucial for improving corporate governance.  The Validator considers these to be valuable lessons not just for this Project but for capacity building initiatives in general, and especially in the corporate governance sector. |
| Lessons identified in the project completion report (PCR) included (a) estimates of labor supply and demand should be treated as indicators of trends rather than as concrete targets; (b) original estimates for project enrollment should be reviewed and adjusted at the time of the midterm review so as to reflect actual, rather than forecast, socioeconomic conditions; and (c) risks and assumptions with regards to project implementation should be clearly outlined.  The Validator agrees with the PCR's lessons mentioned above, and identifies the additional lesson for future projects that advisory technical assistance (TA) should be designed to be integrated with the corresponding loan project (e.g., to be implemented by the executing agency/EA of the loan project) so that its recommendations are undertaken by the loan project. |
| This Validation agrees with the Lessons to be learned that are identified by the project completion report (PCR) and paraphrased as follows:  1. The early processing of the loan and the success with respect to meeting the loan covenants demonstrate the importance of investing time in loan processing and setting tough conditions for loan approval.  2. The Program could have included a mechanism of formal review after about 18 months in order to consider revising the content and timing of loan covenants. The objective would be to make the covenants more relevant to prevailing conditions, strengthen or bring forward some conditions, and waive or defer others.  3. A well-thought-out structure for implementing the Energy Sector Restructuring Program (ESRP) monitoring was established. The loans for the ESRP were closely coordinated with those of the International Monetary Fund (IMF) and other development partners, particularly the World Bank. This close coordination was a key strength in successful implementation of the ESRP.  4. If ADB attaches great importance to similar analysis, it should consider ensuring that commitment to undertake the analysis is irrevocable, for example, by making the work a loan condition and carrying out preliminary work before loan approval.  5. Where possible, ADB should link its loan conditions to aspects of the Program where it has strongly positioned itself in the policy dialogue and should take a leadership role in the financing partnership.  6. Difficult lending conditions like the requirement to privatize Karachi Electric Supply Corporation (KESC) are achievable, but ADB (and the executing agency or EA) must be prepared to persevere over a long period and extensive support must be provided through technical assistance and policy guidance. |
| The PCR specified two lessons from the Project that may be incorporated in subsequent projects:  (a) Direct involvement in the Project, including project budgetary allocations, effectively engages local governments.  (b) Well-prepared stakeholders are the key to sustainable resource management.  The project completion report (PCR) also noted the need for early planning and implementation of preparatory assessments, indicating that this did not happen under the Project.  The Independent Evaluation Department (IED) indicates two other lessons that should be drawn from the Project. The various elements for monitoring the outcomes and outputs of the Project did not function particularly well, which has made it difficult to evaluate achievement. It should not be left to the project completion review mission to conduct a few rapid selective surveys. In multicomponent projects, there is a danger that components outside the core competences and interests of the implementing agency (IA) may not be well covered. Microenterprises, particularly non-fisheries related activities were not strongly supported, e.g., by marketing information or facilitating access to mainstream lines of credit. While there is logic to tackling poverty in coastal communities by enhancing their returns from traditional activity and opening up new opportunities, these new opportunities need to be supported by appropriate agencies. |
| The project completion report (PCR) identified the following lessons: (a) the feasibility of large community contributions to a project should be analyzed at greater length; (b) the timing and phasing of technical assistance (TA) inputs in relation to a loan project are critical in situations with low capacity - at times the TA should precede the start of the loan project; (c) it is unrealistic to set ambitious targets for enrollment caps in schools that offer the best education without allowing enough time for other schools to provide education of similar quality; (d) the establishment and effective use of new specialist facilities and equipment in schools requires significant school-based training and support; (e) extended delays during implementation may suggest weaknesses in project design and require determined action; and (f) well-designed community-based social marketing is useful in influencing public opinion in support of education and bringing about behavioral changes across communities.  The Validator concurs with the foregoing lessons. |
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| The Independent Evaluation Department (IED) agrees with the project completion report's (PCR) identification of lessons concerning ADB participation in the Poverty Reduction Support Credit (PRSC) operations, including additional lessons relating to the need (i) to identify opportunities for greater ADB involvement (e.g., thru the provision of technical assistance (TA) by ADB specialists) to achieve maximum leverage; and (ii) for ADB to engage in analytical work beyond the scope of the PRSC framework to push for reforms in difficult areas such as banking and state-owned enterprises (SOEs).  To enhance the relevance of program design and formulation, performance targets for components and/or subcomponents of a program need to be clearly stated and assessed. For example, a change in the financing of health services alone does not guarantee a sustainable improvement in health indicators, since performance in the health sector is determined by a host of other factors related to equity, quality, and sustainability. These are basic concerns of national and local health sector management and, ultimately, of modern governance. |
| According to the project completion report (PCR), the Project confirmed the high development potential for perennial crops and reconfirmed the creditworthiness of smallholder farmers. The experience of the pilot activity under the Project showed that potential exists in Sri Lanka for a gradual introduction of a fee-levying private extension services among commercial farmers with a better ability to pay, leaving scarce government resources to serve the poor and subsistence-level groups of farmers more effectively. However, to be profitable, private sector extension services must be integrated into other commercial operations, such as the sale of farm inputs. A company set up solely to provide extension services may not be viable in the long term.  The PCR summarized a further nine lessons. An additional lesson relates to Treasury approval of the revolving fund. A project's design should assess the desirability of making revolving fund approval a condition for loan effectiveness in situations where problems with approval are anticipated. |
| The project completion report (PCR)noted the following lessons.  (a) Well-managed schools implemented project activities more effectively and efficiently. This shows the importance of champions for the success of any new initiative.  (b) Any project that attempts to bring about substantial systemic changes needs to be realistic about the goals and feasible time frame of these changes.  (c) To bring about and sustain changes, government ownership is crucial.  (d) Success occurs with the timely provision of resources to support government priorities, which had been correctly identified and prioritized.  (e) The potential of project activities cannot be maximized without effective monitoring and the commitment of officials trained in monitoring and evaluation.  (f) The first computer procurement experience indicates that bidding documents should always clearly specify instructions and requirements.  The Validator agrees with the PCR's lessons identified above, which should be taken into account in the design and implementation of future education projects. |
| The project completion report (PCR) identified several lessons: (a) a sound policy environment and an agency that has adequate mandate and firm commitment to push for reforms should be involved, (b) institutional streamlining should be merit-based, (c) mechanisms to sustain and replicate successful project activities should be created prior to project completion, (d) project management units (PMUs) should be given more flexibility in modifying staff positions based on actual needs, and (e) the need for segregating and recording fund utilization by project activities should be a requisite for better financial management practices and gaining confidence of concerned stakeholders.    The Independent Evaluation Department (IED) concurs with the identified lessons. In addition, safeguards should be required when major policy reversals are expected from projects. Specifically, a clear course of action, including other viable measures, should be identified. |
| The project completion report (PCR) included a number of lessons, including the need for accompanying credit lines with policy dialogue on real sector reforms and covenants that ensure sound and autonomous credit policies and practices by participating commercial banks (PCBs). Lessons identified by the Independent Evaluation Department (IED) in conjunction with this Project reconfirm earlier IED findings on ADB projects using state banks as financial intermediaries, which have been largely negative. State banks, particularly those operating in interventionist economic systems, are often used for non-commercial purposes, which reduces their incentives and capacity for adequate risk assessment and management. In the absence of meaningful financial sector reforms in Uzbekistan to strengthen the commercial orientation of the PCBs, ADB's use of the financial intermediation lending (FIL) modality was inappropriate.  Even in a more conducive policy environment and in light of their limited experience with longer-term small and medium-sized enterprise (SME) lending, the three PCBs should have received assistance prior to the approval of the Project and during implementation to help build their credit risk assessment and management capabilities and assist directly in the appraisal of subprojects. Given the rather fluid situation of the banking sector, ADB's inexperience in dealing with most of the PCBs, and a lack of access to reliable information regarding their financial condition, TA and loan proceeds should have been allocated on a first come- first served basis and taken into consideration the PCBs' actual financial and operational performance instead of pre-determining maximum loan amounts for each PCB.  ADB should have suspended loan utilization when covenants were not being complied with.  In addition, the PCR recommended the inclusion of covenants requiring the PCBs to monitor the financial condition of sub-borrowers on a quarterly basis. While appropriate under other circumstances, it is doubtful that such a requirement would have made a difference in enabling banks to proactively identify potential repayment problems, given SME accounting systems and the limited predictive value of financial statements in Uzbekistan. Regular site visits would have been a more appropriate tool under these conditions. |
| The project completion report (PCR) drew three lessons from the Project: (a) the need for more realistic implementation schedules and recognition of constrained local capacity, (b) greater flexibility in project design, and (c) more emphasis on training project implementation staff in project procedures. To these lessons, the validator would add the recognition of problems caused by frequent changes of project officer and the need to have systems in place that result in better transfer of knowledge amongst projects at formulation and during implementation. |
| The Evaluator agrees with the lessons identified in the PCR. Some additional lessons include:  (a) In addition to other issues that arose with the involvement of nongovernment organizations (NGOs) and community-based organizations (CBOs) in the Project, the very large number of these organizations involved must have contributed to management and co-ordination problems. Using a smaller number of NGOs, each with larger contracts, would reduce these problems and also facilitate monitoring and evaluation (M&E).  (b) At appraisal, insufficient recognition was given to the time that would be needed for the Government to process and take the necessary legislative action to implement the reforms required under the release of funding for Part A activities. A better outcome may have been achieved if the Project had not been started until the necessary legislation and regulations were in place. |
| According to the project completion report (PCR), important lessons learned from the Project are: (a) reforms of the education sector require a long implementation period, persistent pursuit of reform agenda, and continued budgetary support to accomplish targeted improvements; (b) the school-based management approach helps to utilize hands-on training support for teachers, new facilities, and equipment provided to schools; (c) effective school leadership is required to bring significant changes to school management and performance; and (d) clarity of roles and responsibilities of assistant inspectors, Upazila academic supervisors, and research officers is required for effective professional academic supervision.  The Evaluator agrees with the above lessons and identifies these additional lessons: (a) to implement secondary education reform programs effectively, it is necessary to adopt a program approach with adequate coordination supported by an appropriate mix of a program loan, a project loan, and advisory technical assistance (TA) from ADB; (b) an education reform program should be disseminated in the areas of curriculum, examination, and decentralization, and adoption of the school-based management approach should be initiated from the development stage of reforms in order to provide relevant information and to build stakeholder ownership that ultimately helps to minimize resistance to change; and (c) timely and effective implementation of education reform activities requires decentralization of the decision-making process of review and confirmation for reform activities. |
| The provisions in the bid documents must be made more rigorous to ensure that contractors provide the committed technical and financial resources for project implementation to help ensure that contracts are finished on time and with good quality.  Projects should generally be in an advanced stage of preparation before loan approval to ensure early loan effectiveness and to avoid delays during implementation.  When a new implementing agency such as the National Highways Authority of India (NHAI) is created, it takes time for the institution to be fully staffed and for the necessary authority and other powers to be identified and granted. |
| The lessons of the project completion report (PCR) are cogent. They flow well from its analyses and the Operations Evaluation Department (OED) supports them. The key lesson from the Project is the importance of community involvement and empowerment in fisheries resource management. This cannot be achieved through government actions without the support and participation of the community. For this reason, social preparation is needed from the beginning of the Project and ongoing capacity building is also required, with periodic reinforcement after project completion. OED concurs that the related activities in this project were beyond the capacity and experience of the local consultants. Thegovernment fisheries services should have been more involved in implementation from the outset, assisting in creating effective community frameworks and providing continued support and reinforcement. On the basis of its validation, especially in regard to the community development and poverty reduction (CDPR) component, OED also believes that more attention should be placed on synergies across the components of a project. Advance recognition of the potential impact of delay in one on others should be given full consideration during project design and implementation. |
| This evaluator has some observations regarding the project completion report's (PCR) suggested lessons. The PCR says that the requirement for the cross-border agreement (CBA) to be adopted delayed loan effectiveness. This may be so, but it proved to be a very effective tool in encouraging its adoption. The process took less than 1 year, which seems rather remarkable given bureaucratic inertia against accepting major changes to existing practices. Procurement need not have been delayed by as much as it was if advance procurement had been allowed.  The PCR correctly points out the danger of using appraisal estimates of road conditions, which should not be considered as fixed when estimating project costs. Almost all projects experience delays of some sort, while the road continues to deteriorate. The assumption that governments will maintain a road in its current condition is nai?ve because governments see little point in spending funds, except for emergency repairs, on something that will soon be reconstructed. Generally they prefer to use such funds for other maintenance or to fund the upcoming project. The PCR suggests that 'to ensure that existing facilities are kept maintained by the client country until the mobilization of works, an adequate provision for maintenance may be considered as a condition for loan approval by ADB.' To make an allocation is easy, but the actual release of funds for such purposes is not guaranteed. Reality dictates that the appraisal estimates must reflect a realistic estimate of what will be needed to meet project goals. Alternatively, as in this case, the government may agree to pay the additional costs.  The PCR makes an important suggestion and that is simply that 'ADB should design a standard, user-friendly reporting template containing all required details' for project progress reports. This would significantly improve ADB's review, reporting, and monitoring activities. |
| The project completion report's (PCR) overall project rating is successful because it (a) was well-conceived and remained relevant throughout implementation; (b) was successful in enhancing the physical capacity of Lao PDR's basic education system; (c) improved curricula, and teacher training exceeded the appraisal target; (d) was successful in enhancing community ownership and participation; but (e) had to be extended by 2 years to achieve the appraisal target due to logical and communication reasons.  The Evaluator agrees with the PCR's overall rating of the Project. |
| The Operations Evaluation Department (OED) agrees with the lessons noted in the project completion report (PCR) report. The main lesson from the Project is that attempting to address several major issues in a single project, even though they may be interrelated, leads to complexities that make implementation very difficult. Projects should have a single focus and a simple and straightforward design. |
| The project completion report (PCR) did not identify any evaluation lessons. However, the following lessons could be drawn for future operations: (i) trade finance facilities require special skills and flexibility in pricing, which ADB will have to improve upon in the event of similar future projects; (ii) for all ADB financial intermediation facilities, demand will have to be carefully assessed by taking into consideration all major risk factors, including the availability of alternative sources of funds and potentially-adverse interest and exchange rate developments; (iii) the use of partial risk guarantees to cover the risk of non-transferability and convertibility of foreign exchange under letters of credit for imports can be effective if used under the appropriate conditions (e.g., participation requirements for guarantees that result in long processing times might delay projects beyond the point at which such instruments would be useful); and (iv) private sector investments by ADB require pro-active management, including participation in board meetings. The last item is particularly true with the example of the Pakistan Export Finance Guarantee Agency Limited (PEFGA), in which there were disagreements between other shareholders, declining company performance, and management problems. |
| The Operations Evaluation Department (OED) considers the lessons identified in the project completion report (PCR) to be useful for planning future assistance. The lessons (i) examine the constraints that deeply-entrenched poverty has upon achieving health outcome targets; (ii) explain that a new system of service delivery takes time and sustained commitment to become operational; (iii) explain that while child development, protection, and survival requires partnership between many stakeholders at different levels under a devolved system, strong national government support and political will are also needed to achieve the desired outcomes; and (iv) observe that direction and regular guidance from senior management are indispensable to achieving desired outcomes, and sufficient staff must be provided by the executing agency (EA). |
| The project completion report (PCR) identifies three important lessons: (a) the project framework was overly optimistic, expecting outcomes that had, at best, a tenuous cause-and-effect relationship with the Project; (b) capacity building under the Project would have benefited from more focused technical assistance (TA) and a more consistent dialogue between ADB and Uzbekistan Temir Yullari (UTY) on reform issues; and (c) sector specialists and a railway sector focal point would have been desirable at the Uzbekistan Resident Mission and ADB headquarters, respectively.  Start-up of the Project was delayed, in part, by the late completion of the first railway rehabilitation project. If approval of the loan was contingent on the completion of the former, this delay could have been reduced.  Some covenants were either not complied with or only partly complied with, which raises a question about their crafting and suitability. In the future, covenants should only be crafted (a) that can be reasonably complied with, or (b) with assistance from ADB or consultants to help ensure compliance.  As a small component of the overall economy, it is difficult for UTY to change its accounting system unless there is a commitment at the national level for such change. This commitment needs to be discussed and details of the change process need to be addressed prior to including it as a component. |
| The project completion report (PCR) identified the following lessons from the Project:  (a) Project monitoring efforts should include means to ensure that new equipment is fully integrated in lessons, qualified teachers are available to conduct lessons as planned, and sufficient consumables and supporting tools are in place.  (b) ADB should have been more proactive in working with the Government to fully comply with the loan agreement. In particular, while ADB took corrective actions in several cases, its actions should have been more immediate to ensure adherence to ADB procedures over local laws and regulations relating to procurement of goods and consulting services.  (c) ADB should have been more effective in enforcing the loan covenants on monitoring and evaluation (M&E), teacher education certification system, and the project steering committee. Those covenants were crucial for successful project implementation from the broader development perspective and better management of project implementation.  (d) An M&E system to collect and maintain data and to monitor and analyze quantitative and qualitative indicators should be built into project design.  The Evaluator agrees with the PCR's lessons. |
| Increasingly under pressure from population growth and economic development (and possibly in the future from the impact of climate change) the Sundarbans Reserved Forest (SRF) is a globally significant natural asset in urgent need of conservation and management. The failure of this Project should not deter future efforts to conserve and sustainably manage the SRF by providing financial resources to support the Forest Department (FD). Quite constructively, the project completion report (PCR) provides a comprehensive list of lessons that may serve as a useful guide for the future project and programs of other development partners (e.g., strengthening the FD's ability to assume a role in managing the SRF). For ADB, the Project provides a rich learning experience in terms of processing and implementing projects (e.g., complex design and insufficient consideration of practical implementation details). In addition to the special evaluation study (SES) observations, the Operations Evaluation Department (OED) supports the PCR lessons for future initiatives in the SRF. |
| The project completion report (PCR) identified some key lessons. In addition,the Operations Evaluation Department (OED) outlines the following:   (a) Cooperation and commitment of the central government and its ministries are necessary to devolve power to regional institutions to carry out a successful decentralization program for regional development. A firm and structured arrangement to devolve the necessary powers would need to be agreed upon and put in place prior to a project's commencement to ensure smooth project implementation and realization of the expected benefits. In this regard, the option to use an existing institution such as the Ministry of Atoll Development (MOAD) to carry out the Project should have been investigated instead of creating new ones like the two regional development management offices (RDMOs) for that purpose. Because they were outside the accepted bureaucracy, they encountered problems pertaining to empowerment, coordination, and operations that hindered their performance. Setting up and operating new institutions is a difficult task.  (b) Staff retention, training, and human resource development are essential to make institutional strengthening successful particularly in relation to a decentralization and regional development program. |
| A number of lessons were suggested by the national project workshop, indicating the need for (a) strengthened quality control at the entry or pre-feasibility stage and engaging nongovernment organizations to assess farmer needs; (b) applying more time and resources to forming sound water user associations (WUAs) by engaging community-based organizations as facilitators; (c) avoiding expensive structures such as headworks and extensive main canal lining to focus more on low-cost and labor-intensive works; (d) more stringent construction quality control through joint supervision with WUAs; (e) more strategic and coordinated provision of agricultural services; (f) continued monitoring and guidance to WUAs after physical completion to ensure sustainable operation and maintenance (O&M); and (g) substantial improvement in overall quality control through an effective internal management information system and an external quality assurance mechanism. These lessons are considered by the Operations Evaluation Department (OED) to be valid and highly relevant to many community-managed irrigation schemes. |
| The Operations Evaluation Department (OED) agrees with all the project completion report (PCR) assessment of lessons concerning project design, monitoring and evaluation, and specifications and requirements concerning consultants. |
| The project completion report (PCR) identifies four useful lessons in relation to (a) the need for sound and experienced management; (b) the need for improved subproject screening, and avoidance of raising false expectations; (c) the need to fully enforce adequate financial checks and balances; and (d) the requirement for timely counterpart funding if implementation is not to be disrupted.  The Operations Evaluation Department (OED) concurs with these lessons. In addition, it is considered that in a country such as Papua New Guinea (PNG), more weight needs to be placed during design and implementation the pressures that face enterprises in PNG due to land ownership, tribal conflict, compensation and the difficult socio-cultural and logistical environment.  A further lesson, which appears to apply to many less successful ADB projects, is that adequate institutional analysis during design is essential followed by selection of the right institutional arrangements, if institutional problems during implementation are to be minimized. OED further considers that the experience with the Technical Assistance Screening and Management Unit (TASMU) highlights the potential problems of establishing a new institution for project implementation. In this case, inexperienced and sometimes inappropriate staff were appointed to the unit. The concept of co-heads, while appearing to provide adequate 'localization,' in practice was a recipe for problems, in so far as the results-oriented expatriate consultant team leader and the inexperienced local co-head were almost bound to conflict. |
| The Operations Evaluation Department (OED) considers that the lessons identified by the project completion report (PCR) are valuable, and merit detailed consideration by ADB.  A further lesson which can be drawn is that program loans providing budget support may become less of an incentive if fiscal conditions in a country improve after program design or loan effectiveness. In this context, particular care may be required in promoting program loans during periods of fiscal constraint, in case demand for the funds declines as conditions improve. Additional effort to promote policy objectives may also be necessary if the Government, in a recipient country, changes prior to program loan completion.  OED considers that in the case of the Grains Sector Development Program (GSDP), the local funding commitment of $55 million was likely to have been well beyond the capacity of the Government in a fiscally constrained period. Consideration could be given in such circumstances to increasing local cost financing of the investment loan, particularly in the first 2 years, and, if necessary, reducing the amount of the policy loan. OED also considers that ADB needs to be fully cognizant of external factors (such as a change of government), and needs to take necessary steps to counteract resulting issues; in the case of the GSDP, for example, by considering the post-facto decoupling of some of the policy conditions.  GSDP experience reinforces the statement in the ADB Operations Manual that 'strong commitment to sector reform by the government is essential for the success of the sector development program (SDP) modality of lending.' A sector development program is unlikely to be effective in an adverse policy environment. |
| The previous two ADB-funded airport projects had the same front-end problems that plagued this Project. This Project confirmed the need for a complete, if not totally accurate, land acquisition and resettlement plan (LARP). Most projects rely on feasibility or other preparatory activities, and it is essential that these be carefully examined before project appraisal so that negative social impacts and unnecessary implementation delays can be avoided. |
| The Operations Evaluation Department (OED) agrees with the project completion report (PCR) assessment of lessons concerning project design, timeline, and sequencing of activities, and the need to be faithful to the original project design when adding a new component or requiring an additional input. However, other lessons include the following: (a) the PCR validation and a review of other project documents indicates that in addition to having a clear benefit monitoring and evaluation (BME) plan, there should also be clear tasking and arrangements that define the specific accountability of stakeholders in terms of data and information; and (b) the initiative to introduce the Performance Contracting Scheme points to the need for a thorough analysis of the sociopolitical soundness of project strategies, so as to reduce the likelihood that project implementation will be opposed by the public. In some cases social marketing and mobilization will prove effective, while in other situations neither technique will generate acceptance. A thorough analysis in the project design stage is required. |
| The Operations Evaluation Department (OED) generally endorses the lessons enumerated in the project completion report (PCR). However, two of these, i.e., (a) on the necessity of adequate provisions and safeguards in the bidding process for the selection of partner agencies, and (b) the importance of efficient cash and funds flows towards a smooth operation of partner agencies, did not seem to flow from the discussion in the main text. OED learned from back-to-office reports that the Project would have been more successful if it had initially established one pilot model city program in Dhaka, (which has the most acute problems in terms of underserved and poor population according to the project justification). Learning from the experience of the pilot program, the model could have been extended to other major cities. Another lesson could have been derived from the failure of the rental scheme, which was envisaged to fund the recurrent costs of the primary health care (PHC) activities. |
| The two issues identified in the project completion report (PCR) as lessons to be learned were:  (a) The provision of free house wiring kits by the Project to some customers (identified as poor households) and not others has only been unsuccessful for two reasons. More socially acceptable mechanisms for helping poor households to install internal house wiring should be examined for future projects.  (b) Apparently the whereabouts of about 24 solar panels (out of 100) were not known at the time of the ADB Project Completion Review Mission. Any future projects that include the provision of solar panel lighting systems should be designed so that (i) appropriate beneficiaries are targeted, (ii) installation activities are recorded and monitored to ensure that the systems are correctly installed and operational at the end of the project, and (iii) processes are designed and implemented to ensure that the Project is sustainable and that systems are properly maintained over time.  A third lesson to be learned relates to the design of electrical distribution projects.  (c) Considering the number of distribution systems that ADB has financed and designed over the years, errors of more than 100% in estimating the electricity demand (132 kWh per month per household design versus 49 kWh per month per household actual) and an underrun of 30% on the unit cost of solar panels ($1,454 actual versus $2,080 estimated at appraisal) are not acceptable design practice. More accurate estimating is needed for future projects. |
| There were long delays in starting the Project and dispensing ADB loans to subborrowers, because eligible on-lenders could not be easily identified, and adequate regulations, controls, and supervision were not in place. Future projects should avoid these problems.  The majority of the ADB loan was canceled and the project scope was reduced from $20 million to $5 million. This was due in part to lower-than-expected demand for the Project's funding (grants and other donor funds were available at more competitive terms, and demand from financial intermediaries for ADB funds was low), and in part because of the Government's growing commitment fee burden, which began with loan effectiveness. Demand increased after most of the ADB loan was canceled. Future microfinance projects, especially in the field of rural credit for the poor, should consider these factors in their demand analysis. |
| The project completion report (PCR) correctly identified a number of lessons, including the poor performance of the foreign lead contractor firm(s). This is a common problem. Foreign firms are often brought into the prequalification process to augment the qualifications of the local contractor. The PCR states that prequalification standards have been strengthened to avoid such situations in the future, and this is a good response to an important lesson. This validation suggests the following lesson in addition to those listed in the PCR. Most projects of this type have overly optimistic implementation schedules. In the case of this Project, the executing agency (EA) had plenty of time to undertake the preconstruction phase, because loans to India were not being approved until about 2 years after appraisal. If the Project had been approved shortly after appraisal, the Project would most likely have experienced considerable delays. This Project can serve as an example of the need for more realistic implementation schedules. |
| The PCR derives six lessons that are relevant and evidence-based.  The Operations Evaluation Department (OED) considers that the Project's economic performance highlights the need for adequate economic pre-assessment of flood control subprojects. The economic failure of the Wawar basin works has undermined the good performance demonstrated by most of the remaining nine schemes. As a core subproject, more accurate economic analysis should have been feasible.  Government agencies are often not keen to devote necessary resources to monitoring, often giving preference instead to designing and implementing new projects. In the case of flood control and river training works, however, monitoring is essential to ensure adequate maintenance and that structured life and effectiveness are maximized. |
| The project completion report (PCR) presents a long list of lessons and recommendations, which are summarized and supplemented below.  (a) Road fund revenues are not sufficient to meet needs. A sustainable funding mechanism for the road needs to be developed.  (b) Timely mobilization of equipment and supplies from ADB member countries proved difficult.  (c) While the Ministry of Roads, Transport, and Tourism's (MRTT) project management capacity has improved through training, it should be further strengthened. The roles and responsibilities of the Department of Roads (DOR) and the Road Supervision and Research Center need to be clearly defined.  (d) Long lead times are often required to establish administrative bodies and make these operational.  (e) Pavement type and design is an important issue in Mongolia.  (f) It is essential to inform the local population of upcoming projects so they can be prepared for any inconveniences and difficulties. Provision must also be made for airing grievances. |
| The project completion repoert (PCR) lessons can generally be endorsed by the Operations Evaluation Department (OED), although some did not seem to flow from the main text. The lesson on interventions related to women was not ostensibly based on a discussion in the main text on this subject - and its gist, namely gender interventions in tradition-bound areas such as the project area can work only after the Project has established its credibility, is probably true. The lesson that a supply driven approach at the start of the project can work, is questionable. The last lesson is worded in vague terms but is taken to mean that the use of specially recruited local staff in a project in a remote area can be challenging at the start, but that the benefits will be good in the end as they will be easier to retain. This is an interesting lesson.  OED learned from this case that complex area development projects dealing with interventions in many sectors and affected by fundamental changes in implementing agency (IA) structures (due to in this case devolution of powers) can yet do well if it is accepted that there will be a strong and inevitably externally-staffed project management unit, backed by a strong supervisory agency such as a planning department. |
| The lessons of the project completion report (PCR) flow well from the discussion in the main text, and are supported by the Operations Evaluation Department (OED). OED would like to add the following lessons on the basis of this validation:  (a) An efficient and proactive project director is indispensable for effective project implementation.  (b) Project design and formulation should include a lead time to organize the beneficiaries in associations and to train the staff of the executing agency (EA) and implementing agencies (IAs) to make them ready for the project. |
| The project completion report (PCR) identified several important lessons including the importance of accurate traffic forecasts, the need to plan for expansion, and the importance of monitoring project-related activities such as the construction of access and link roads. This evaluator agrees with those lessons. An additional lesson involves the need to have tighter control and monitoring of resettlement activities, including compensation levels. A similar lesson involves monitoring of environmental mitigation measures. |
| The project completion report's (PCR) lessons are succinct and to the point, and the Operations Evaluation Department (OED) has little to add. A recent OED study (Special Evaluation Study on Asian Development Fund VIII and IX Operations) highlighted the conclusion that very diverse project objectives in the reform area and infrastructure development should be put in each other's critical path only if absolutely necessary. Reform requires extended periods of stakeholder consultation, public awareness campaigns, and political consensus creation - activities that are to a large extent political. |
| Such reform programs need an effective communication strategy to outline the benefits of reform and mitigation measures for those affected.  It may be necessary to separate fiscal and governance reforms in design; however, continued separation during implementation is problematic, as the Program showed.  Maintaining political commitment to fiscal reform requires significant investment in policy dialogue and flexibility to adapt to external factors. |
| The Evaluator agrees with the lessons identified in the ADB project completion report (PCR). Some additional lessons are:  (i) An in-depth institutional analysis at all levels of project implementation by the project preparatory technical assistance (PPTA) team is necessary so that appropriate and effective capacity building provisions are made in the project design.  (ii) Realistic assumptions based on past experience (or plausibly changed circumstances) are necessary in making provision for counterpart funding in project design taking into account the economic conditions of the country, province, district and local communities.  (iii) Preparation and approval of new legislation is outside the control of a project, and hence, such requirements should not be a precondition for loan effectiveness. However, if this is essential for the success of an investment project, it would make sense for this to be a precondition for processing.  (iv) Meaningful benefits can be realized by recruiting and fielding consultants shortly after commencement of a project. This may require advance procurement of consulting services, if necessary. However, if the project design integrity assumes early recruitment of consultants, but it almost never happens, we have to call into question the soundness of this assumption. |
| Attitudinal changes take time and ADB must institute mechanisms to maintain support for public sector reforms over the long term. |
| The project completion report (PCR) identified a number of very relevant lessons to be learned from the Project and its implementation. They are summarized here, as there appears to be very little to add to them.  (i) Land acquisition and resettlement (LAR) issues must be carefully evaluated, and ADB policies must be clearly understood and included in the loan agreement.  (ii) For more efficient implementation, it is advisable to concentrate on a specific geographic area rather than to pursue a scattered, large project.  (iii) Long delays between design and actual construction often necessitate major modifications in the engineering designs, thus causing further delays. A related issue is the relevance and completeness of the designs.  (iv) Project implementation arrangements would be more efficient if the project management office were provided with the authority needed to undertake procurement, supplemental agreements, and contract variations.  (v) To avoid misuse of project vehicles, the possibility of renting or leasing these vehicles could be studied as a means of ensuring proper use and accountability.  (vi) Complete buy-in by the agencies concerned with institutional development must precede commitments to avoid waste of resources. (vii) An overly optimistic implementation schedule at appraisal places an additional burden on the executing agency (EA) and ADB. |
| Aside from the lessons given in the project completion repoert (PCR), other lessons could be the following. First, the design of the Project was based on the project approach, but during implementation many aspects of the sector approach were used. One consequence of this is the expensive redesign costs, as conditions between the design and the start of civil works can change. During construction, designs have to be changed. Using a sector approach during project preparation could provide the executing agency (EA) with a broader picture of the entire network and provide flexibility in certain agreed-upon parameters, thus reducing the need for ADB approval for every minor or significant change. (Using a sector approach does not necessitate using sector loans. The idea of using the sector approach at the preparation stage is to step out of the narrow confines of the project and look at the broader picture of network management. This approach could enable better sustainability of the project roads funded under ADB loans.) Second, realistic implementation schedules should be prepared during appraisal. Although completion of physical works under the Project was delayed by just 16 months, there is scope for minimizing delays and arriving at more realistic schedules at appraisal. |
| Further to the lessons identified by the project completion report (PCR), this validation report makes the following observations:  (i) ADB needs to ensure adequate project preparation, particularly for novel areas of ADB country operations, which could result in implementation issues, as well as time and cost overruns.  (ii) ADB oversight should act flexibly and proactively to address planning deficiencies identified during project implementation. This highlights the importance of real-time feedback within the same regional department and operational division on implementation issues, especially for similar projects or phased projects being implemented on overlapping basis.  (iii) Frequency and high-quality ADB supervision missions, as well as continuity in ADB staff appreciation and approach, contributes to project success.  (iv) ADB still needs to add more value by bringing in innovative practices and ideas for improving the road network and institution capacity.  (v) Integrating a key national highway (NH) with nearby local road networks is beneficial as the connection maximizes development impacts by strengthening local development.  (vi) Rigorous attention is needed to elucidate project impacts, outcomes, and outputs in terms of quantified targets and indicators that can be monitored. This will establish a clear basis for evaluating social and economic impacts.  (vii) Agricultural development might not follow road development.  (viii) The Third Road Improvement Project (TRIP) demonstrates the importance of enforcing vehicle axle weight regulations, particularly for trucks. |
| In addition to the lessons learned that are included in the project completion repoert (PCR), this validation makes the following observation: Much of the travel time savings that could be attributed to the road improvement component are not being realized because of low ferry capacity at the Mawa river crossing. All components of a road project should be evaluated and steps taken to ensure that potential benefits are realized. |
| Two lessons were identified in the project completion report (PCR). This validation agrees with the one lesson, which is:  (i) In implementing a program of power sector reforms, thorough policy research and design, along with adequate assessment of the constitutional and legal constraints, should be ensured at the time of program formulation.  The second lesson from the PCR is stated as:  (ii) As the technical assistance (TA) loan was formulated prior to adoption of the New Electricity Law, some of its components had to be adjusted, delayed, or even cancelled. With hindsight, the TA loan should have been provided after enactment of the new Electricity Law so as to provide targeted support to implementation of the law. In this validation, the problem vis-a?-vis the new Electricity Law was not to provide targeted support but rather to address risks carefully. And the designers did consider the risks carefully but this particular risk of annulment was not identified. In project scheduling one cannot always wait until all risks are identified before proceeding with implementation. Therefore the lesson that the designers did address but to be reinforced is to address risks carefully in Project design.  This validation would add two further lessons.  (iii) The basis of the design of capacity building projects should be included in the appraisal for capacity building projects and reported in the reports and recommendations of the president (RRPs) and PCRs, particularly to show relevance.  (iv) All of the outcomes and outputs should be identified in the RRP, in the design and in the PCR, to keep the Project focused and to monitor and evaluate achievements. |
| (i) Responsible ministries of finance are not going to meet the requirements of loan effectiveness until they are ready to utilize the loan. The effect of this needs to be evaluated.  (ii) Projects based on preliminary design will experience design and cost changes and, in some cases, unintended environmental and social effects.  (iii) This project was prepared knowing that a major restructuring of the power sector was imminent. The scope of the project and related covenants might have been improved if it had been prepared after restructuring had been implemented.  (iv) Sector policy changes require considerable time especially in large countries where many issues and possible positive and negative effects must be evaluated. Adequate time for such issues to be resolved should be allowed. |