

PCR EVALUATION NOTE (Form)

1. Basic Project Data				
Country:	Sierra Leone	Project SAP Reference:	5900155000401	
Project Title :	Economic Governance Reform Programme I			
Sector :	Governance		Appraisal	Actual
Theme		Project Costs (MUA)	10.0	10.0
Amount cancelled (MUA)	Nil	Loan (MUA)	10.0	10.0
PCR Date	27/01/2011	Co-financing (MUA)	2.0	2.0
PCR Evaluation Note Date	June 2011	Board Approval Date	06/01/09	06/01/09
Partners	Govt. of Sierra Leone	Signature Date	25-Mar-09	6-May-09
		Effective Date	06/01/09	06/01/09
		Project Completion Date	12/31/10	Dec. 2010
Project Officers (Names)	Designation (HQ or FO)		From (mm/yy)	To (mm/yy)
F. Perrault G. Negatu K. Gebre-Selassie	Regional Director Sector Director PCR Team Leader/Task Manager			
Evaluator/consultant: O. O. Ojo		Peer Reviewer/Task Manager: F. Turay		

2. Project Description (summary from Appraisal Report including addendum/corrigendum or loan agreement)

a. Rationale and Expected Impacts:

The goal of the Economic Governance Reform Programme (EGRP I) is to improve economic governance through greater efficiency, transparency, and accountability in the use of public funds as laid out in the country's Poverty Reduction Strategy (PRSP II) and Integrated Public Financial Management Reform Programme (IPFMRP). The programme aims to achieve fiscal discipline, strategic, efficient, and effective allocation and use of funds, value for money and probity in the use of public funds. These objectives are in line with the ADB/World Bank Assistance Strategy (JAS) for 2009-12. Specifically the programme supports three pillars of IPFMRP: core public financial management reforms, revenue administration and enhanced audits.

Following a decade-long civil war, Sierra Leone has succeeded in establishing macroeconomic and political stability. This has permitted a substantial improvement in economic and debt conditions. There is also a strong government commitment to good governance. The goal of the present programme is to improve economic governance through greater efficiency, transparency and accountability in the use of public resources as laid out in Sierra Leone's PRS II and IPFMRP. These objectives are in line with the proposed ADB/World Bank JAS for 2009-12. Given the impact on service delivery and implementation of the PRSP II, upgrading PFM is a central element of the government's agenda. By using

country systems, the programme also contributes to state building in a fragile state context.

b. Objectives / Expected Outcomes:

The objective of the programme is to improve economic governance through greater efficiency, transparency and accountability in the use of public funds through: i) core PFM reforms to improve economic policy formulation, raise budget standards and strengthen internal audit, ii) improved revenue mobilization and iii) enhanced external security.

c. Outputs and Intended Beneficiaries:

The expected outputs are:

Enhance external audit

- Publication of reports by Public Accounts Committee and Auditor General reports up to 2006;

Core PFM reforms

- Accelerated roll-out of the IFMIS to cover additional MDAs;
- Increased budgetary credibility and control, and predictable funding of MDAs and local councils;
- Effective control and scrutiny in the use of public resources;
- Increased integrity of payroll records and public procurement process.
- Increase in the number of internal audit units in central government MDAs meeting minimum criteria
- At least 29 procurement entities produce 2009 procurement plans for approval by the MoFED
- Appointment of the new director of PFMRU
- Build the capacity for EPRU to produce high quality and consistent macroeconomic projection

Revenue administration

- Establish a taxpayer database based on a unique taxpayer identification number (TIN)
- Agreement between the government and NPA on settlement of arrears
- Improvement in NPA revenue collection
- Improvement in NPA's financial position by publishing financial accounts
- A new MMA and a complete transformation plan for the NMA submitted
- DACO at MoFED generates monthly reports on aid flows
- The elaboration of, and adherence to, a schedule for the elimination of domestic arrears

The programme will directly benefit the MoFED and other key public institutions in the short term by allowing them to speed up reform process that promotes transparency and accountability in the use of public resources.

At a secondary level, the programme will benefit the people of Sierra Leone in the long-term through improvements in public service delivery and in the environment for private sector-led growth that benefits the whole population. Indirectly improved transparency, accountability and enhanced fiduciary arrangements will also have trickle-down benefits to the most vulnerable members of the society, including women and the poor.

d. Principal Activities/Components:

The project had three major components: Improvement in Auditing functions; Core PFM reforms carried out and strengthened revenue administration.

3. Evaluation of Design and Implementation (Evaluator assessment of actual vs. envisioned)

a. **Relevance of Project Design** (and Readiness for Implementation) (The evaluator assesses, independent of the PCR assessment, the Relevance of the project Design):

Drawing upon prior analytical works (Public Expenditure and Financial Accountability and Technical Assistance reports which reviewed the PFM reforms), the Appraisal report (AR) puts together a project design which is capable of achieving the project objectives. The AR is well conceived and well written. It has a log frame which describes the logical chain by which project objectives will be achieved. It specifies the objectives, the expected results and the performance indicators and the time frame for achieving the objectives. The indicators are also expressed in measurable ways. The sum total is that the project was ready for implementation when it was approved.

b. **Project Cost** (including Borrower Contribution), Disbursements, and Adherence to Schedules (as relevant to project performance):

The total cost of the project was UA 10.0 million and this was disbursed fully in two tranches. The government contributed the sum of UA 2.0 million which was allocated equally to each tranche.

The disbursement adhered to stipulated timetable and there were no cost over-runs. The Programme was not co-financed but it formed part of the Multi-Donor Budget Support Group (MDBSG) which included the World Bank, the European Commission, and DFID. Over 2009-10, the Group provided an estimated US \$139 million out of which the Bank provided US \$16 million. The Bank and other donors provided technical assistance to accompany PFM and the EGRP was supported by an Institutional Support Project (approved in 2004 but implemented in 2008/2009).

c. **Implementation Arrangements, Conditions and Covenants, and related Technical Assistance:**

The AR vested the responsibility for implementing the programme in the MoFED. Other entities were responsible for their own programme and their respective performance indicators. All appropriation, allotment and expenditure were made through existing country systems. Disbursement under the programme was made in two tranches. Each tranche was disbursed following Board approval and upon fulfilling the separate conditions for each tranche. These include the successful completion of the fifth review of IMF's PRGF for the first tranche and evidence of the transfer of UA 1.0 million by the relevant ministry to the account for the multi-donor project supporting the core components of IPFMRP. MDBS partners used common PAF with agreed indicators which they use for their disbursement decisions. While annual PAF assessments are made jointly, actual disbursement decisions are made independently.

d. **Monitoring & Evaluation Design, Implementation, & Utilization** (Evaluator assessment)

There was no M&E in the Appraisal report (AR) beyond the project matrix and the narrative in the report. The arrangement in the AR was that progress in meeting PAF indicators would be monitored quarterly by the MDBSG, the partnership between the government and the development partners. These arrangements were agreed upon with the indicators drawn from the joint donor policy reform matrix. The Field Office represented the Bank at the meetings of the MDBSG and contributed to the implementation of the programme. Through the field office the Bank ensured that it participated in the Oversight Committee of the IPFMRP.

e. **Other Issues** (such as Safeguards, Fiduciary):

The Bank ensured that fiduciary rules, procedures and safeguards were adhered to throughout the implementation of the project. Similarly all covenants were fulfilled. The PCR reported well on these issues.

4. Evaluation of Performance (Evaluator assessment)

a. Relevance of project objectives (Assessment of the ex-ante and ex-post relevance (including during implementation):

Having successfully established political and economic stability, the stage was set to institutionalize good economic governance which would introduce greater efficiency, transparency and accountability in the use of public resources and thereby promote economic growth. In this context the programme is highly relevant to the country's development objectives. It is also highly relevant to Bank/World Bank development strategy for the country which emphasizes good economic governance as a prerequisite for development.

b. Effectiveness in Delivering Outputs:

The performance of the project in output delivery is satisfactory:

- Audit backlogs have been cleared; IFMIS (financial accountability) have been rolled out;
- Core PFM reforms have been undertaken but a Procurement Act is still not before Parliament;
- A tax data-base has been established and a unique TIN applied since 2009.
- Increase in the number of internal audits: implementation was significantly delayed
- At least 29 produce FY 2009 Procurement Plan: Condition was met in 2009
- An updated Procurement Act is still before Parliament
- Appointment of new director for PFMRU: condition has been met
- Build capacity for EPRU: this has been accomplished
- Establish a taxpayer database: established and a unique TIN applied since 2009
- Agreement between government and NPA: an MOU has been signed setting out the schedule for repayment
- Improvement in NPA revenue collection and transparency: Financial accounts for 2006 and 2007 have been audited while those for 2008 and 2009 are underway
- NPA's financial position improved by publishing financial accounts: Accounts for 2006 and 2007 audited and published while those for 2008 and 2009 are underway but the tariff structure is yet to be revised
- A new MMA Act passed: This is before Parliament
- DACO generates monthly economic reports on aid flows: DACO produces annual reports drawing on DAC data
- Elaboration of, and adherence to, s schedule for eliminating domestic arrears: Arrears reduced to 12% compared to 2008

c. Effectiveness in Achieving Outcomes:

The achievement of outcomes by the project is satisfactory:

Increased budgetary credibility and control: this has been largely achieved and funding for MDAs has become more predictable.

Effective control and security in the use of public resource: There has been a strong improvement in PEFA indicators with the Accountant General's Dept functioning like a modern accounting department

Increased integrity of payroll records and public procurement process: There was a small improvement in PEFA scores while the oversight of procurement has improved.

d. Efficiency in Achieving Outputs and Outcome :

The programme achieved its outputs and outcomes on a timely basis. The last disbursement took place some three months ahead of schedule. There were no cost over-runs. The implementation of the programme can therefore rated as highly satisfactory.

e. Project/Development Outcome (PO):

Relevance:

The programme objectives are highly relevant to the development priorities of the government of Sierra Leone as contained in the Economic Governance and Reform Programme. They are also highly consistent with the agenda of development partners for the country as spelt out in the ADB/World Bank Joint Assistance Strategy.

Effectiveness:

The performance of the programme can be rated as satisfactory. It largely achieved its planned outcomes as it succeeded in establishing good economic governance in the management of public funds. It thereby increased efficiency in government operations and service delivery. The poor are likely to benefit from this development. Improved service delivery will also help in addressing gender inequalities in access to health and education.

Efficiency:

The implementation of the programme is highly efficient. Implementation was on time and there was no cost over-run.

f. Risk to sustained achievement of Project Outcomes

The major risks are capacity constraints and the threats posed by external shocks. In the absence of mitigating measures, the risks could be substantial.

g. Additional Outcomes/Impacts (positive and negative, not captured in the logframe):

The efficiency that may be gained through a more transparent budgeting system will likely improve public service delivery to the poor.

h. Performance of Borrower:

The performance of the Borrower was satisfactory. It was responsive to Bank supervision findings and recommendations. It collaborated very well with the Bank. It provided quarterly information on the progress of the reform to the donor group.

i. Bank Performance (preparation/appraisal –partly ensuring QAE: supervision quality):

Bank performance was generally satisfactory. Programme design was excellent as it benefitted from collaboration with other donors. The Bank harmonized its activities with other donors and this resulted in predictable aid flows, use of common aid arrangements and joint missions.

i. Overall Assessment:

The performance of the project was satisfactory. It was completed ahead of schedule. It laid the foundation for good economic governance which will need to be sustained in order to realize the full impact. The sustainability hinges on this aspect as well as finding a solution to the capacity constraints in the country.

5. Key Lessons, and Recommendations (Evaluator assessment)

a. Lessons Learned:

- Budget support aimed at strengthening PFM should continue in Sierra Leone.
- Sectoral benchmarks could widen PFM beyond MoFED but requires some involvement of sectoral expertise in their preparation.

b. Recommendations:

The following recommendations appear to emerge from a review of the PCR.

For the Bank:

- Triggers should be made more realistic.
- Coordination between the field office and Tunis should improve
- Supervision, reporting and hand-over arrangements need to be strengthened.
- The Bank could strengthen its role in the MDBSG by taking on more vocal and proactive role in coordinating PAF, defining priority areas for reform and providing

support in areas where it can provide strong expertise.

The followings are stressed for the government:

- The government should invest more in human and institutional capacity development.
- The government should pay close attention to conditions and triggers

6. Comments on PCR Quality and Timeliness

PCR quality assessment will be based on some or all of the all of the following criteria and others (as appropriate):

The quality of the PCR is good and it is complete. Its narrative and conclusions are sound. The database for its conclusions is also sound. Its ratings are fair and objective and are consistent across all evaluation criteria. The PCR identified the factors which affected programme implementation. Among them are capacity constraints and delays in meeting the conditions for the second tranche.

The PCR provides a good account of the collaboration of the Bank with other donors within the budget support group and in the process reports well on harmonization and alignment. It also reports well on fiduciary, safeguards, and conditions. The lessons flow directly from the analysis in the PCR but they are sometimes mixed up with recommendations. The preparation of the PCR is timely (with a rating of 4) and it complies with guidelines for the preparation of PCRs. On the basis of all these, the PCR is rated as satisfactory

The PCR quality will be assessed as highly satisfactory/exemplary (4), satisfactory (3), unsatisfactory (2) or highly unsatisfactory (1).

Comments on the extent of compliance of the PCR with PCR guidelines and pertinent OPEV guidelines:

- PCR Timeliness; rated as timely (exemplary = 4) or late/unsatisfactory (1):
The PCR was timely. Rating is therefore 4.
- Extent of participation of Borrower, co-financiers and Bank field office, rated as high/exemplary (4), or substantial/significant (3), or moderate (2), or negligible (1):
The Borrower was consulted during the preparation of the PCR but it did not produce its own PCR. Rating is 3.
- Other aspects (to be specified)

ASSESSMENT

7. Ratings:	PCR	OPEV Review	Reason for Disagreement/Comments
Relevance of objectives	4	4	This is a highly relevant programme as it sought to institutionalize economic governance as basis for development
Relevance of Design	3	3	The design is satisfactory as it contained all the elements for the project to take-off
Effectiveness in delivering outputs:	3	3	The performance of the project in the delivery of outputs is satisfactory
Effectiveness in achieving outcomes:	3	3	Outcome performance is satisfactory
Efficiency in achieving outputs & outcomes - Timeliness:	4	4	Programme implementation kept to the planned schedule
Efficiency in achieving outputs & outcomes –other criteria: <i>Cost</i>		4	There was no cost over-run
Overall efficiency in achieving outputs & outcomes	4	4	One impressive aspect of this programme is the timeliness of its implementation.
Risk to Development outcome:	4	3	The risks (capacity constraints, slow progress on reforms, external economic shocks) are not too high to derail project outcomes
Borrower Performance:	3	3	The Borrower performed well given its capacity constraints
Bank Performance:	3	3	Bank performance was satisfactory
Quality of PCR:		3	The PCR is satisfactory

This is a summary of PCR and OPEV ratings together with reasons for disagreement/comments. For the last column, the appropriate section of the PCR review should be cross-referenced to avoid detailed discussions. Where the evaluator is unable to validate the PCR rating for any criterion, adequate justification should be provided. As a result, of this, the overall project rating could be ‘partly satisfactory’.

8. Priority for Future Evaluative work: Project for Performance Evaluation Report, Impact Evaluation, Country/Sector reviews or Thematic Evaluation Studies:

- Project is part of series and suitable for cluster evaluation[X]
- Project is a Success Story
- High priority for impact evaluation
- Performance evaluation is required to sector/country reviews
- High Priority for thematic or special evaluation studies (Specify)

- PPER is required because of incomplete validation rating	<input type="checkbox"/>
- None	
Major areas of focus in future evaluation work:	
a) The programme could form part of a larger study on the impact of budget support programmes	
b)	
c)	
<u>Follow Up Action by OPEV:</u>	
Possibly to be included in a cluster study of Budget support programme	
<u>Division Manager Clearance</u>	<u>Director Signing Off</u>

Data sources for validation:

- **Task managers/Bank staff interviewed/contacted (in persons, by phone & email)**

- **Documents/reports and database**

Documents

1. ADF, Sierra Leone: Economic Governance and Reform Programme I (ADF/BD/IF/2009/58)
2. ADF, Sierra Leone: Economic Governance and Reform Programme I: Programme Completion Report.
3. ADF: Sierra Leone: Country Portfolio Performance Report (ADF/BD/WP/2009/166)
4. Protocol Agreement (on the Economic Governance and Reform Programme I) between the Government of Sierra Leone and the African Development Fund
5. ADF: Sierra Leone: 2005-2009 Country Strategy Paper (ADF/BD/WP/2005/86)
6. ADF: Sierra Leone: 2005-2009 Bank Group Results-based Country Strategy Completion Report (ADF/BD/IF/2009/307)
7. ADF: AfBD/World Bank Joint Assistance Strategy, 2009-2012
8. MDBS Partners: Partnership framework for a Common Approach to Multi-Donor Budget Support between the Government of Sierra Leone and its Development Partners

Attachment: PCR Evaluation Note Validation Sheet of Performance Ratings

PROJECT COMPLETION REPORT EVALUATION NOTE
Validation of PCR Performance Ratings

PCR Rating Scale:

Score	Description
4.	Very Good – Full achieved with no shortcomings
3.	Good – Mostly achieved despite a few shortcomings
2.	Fair – Partially achieved. Shortcomings and achievements are roughly balanced
1.	Poor – Very limited achievement with extensive shortcomings
UTS	Unable to score/rate
NA	Non Applicable

Criteria	Sub-Criteria	PCR Work Score	OPEV Review	Reason for deviation/ Comments
Relevance of project Objectives & Design	Relevance of project Objectives			
	1. Project objectives were relevant to country development priorities.	4	4	The objectives were relevant to the country's priorities. Having established political and economic stability, economic governance becomes an imperative.
	2. Project Objectives could in principle be achieved with the project inputs and in the expected time frame.	4	4	With its satisfactory design, project objectives could in principle, be achieved with the expected inputs and in the expected time frame
	3. Project Objectives were consistent with the Bank's country or regional strategy	4	4	The project objectives were consistent with Bank's CSP and the AfDB/World Bank strategy for the country.
	4. Project objectives were consistent with Bank's corporate priorities	N/A	4	The objectives were consistent with Bank corporate priority of promoting good economic governance in RMCs
	4. Ex-post Relevance of objectives	N/A	4	Ex-post the programme remains highly relevant to the country's development objectives
	Relevance of project Design -Project Design & Readiness for Implementation			
	1. The log frame presents a logical causal chain for achieving the project	4	3	Although the log frame presented a logical chain for achieving objectives, it was not

	development objectives.			fully compatible with the new log frame which focuses on outputs and outcomes. The PCR admitted this
	2. The log frame expresses objectives and outcomes in a way that is measurable and quantifiable.	3	3	The log frame expresses the objectives and outcomes in measurable ways. The PEFA indicators are available for 2010, while those for 2007 were used as baseline to measure progress and trends in PFM.
	3. The log frame states the risks and key assumptions.	4	4	The risks and assumptions are well stated.
	4. Programme conditionality is matched with country capacity and political commitment.	2	2	Progress on the disbursement of the 2 nd tranche was delayed, thus requiring a waiver
	5 Project design includes adequate risk analysis.	4	3	The risks(capacity constraints, slow progress on reforms and external shocks) were well articulated but without their mitigating measures
	6. Financial management, monitoring and/or other systems were based on those already in use by government and/or other partners.	4	4	Appropriation, allotment and expenditures were made using existing systems. The common MDBSG system was used extensively.
	7. Responsibilities for program implementation were clearly defined.	2	2	The division of responsibility between SLFO and HQ was not always clearly defined
	8. Monitoring indicators and monitoring plan were agreed upon during design.	3	3	They were drawn form a joint government-donor policy matrix
	10. Baseline data were available or were collected during design.	3	3	Most important information were readily available
	Design Score	3	3	
Achievement of Project Outputs*	Output 1: Publication of reports of the public accounts committee	4	4	Programme did very well on its delivery of this output: audit backlogs have been cleared, among other things
	Output 2: Accelerated roll-out of the IFMIS	4	4	The IFMIS have been rolled out to most MDAs among other achievements
	Output 3: increase in the percentage of total payroll authenticated	2	2	Progress is slow on this score
	Output 4: Increase in the number of internal audits in central government meeting minimum criteria	2	2	Implementation was delayed and by June 2010, condition still has not been met

	Output 5: An updated procurement law in place	2	2	A provisional Procurement Act is before Parliament
	Output 6: Appointment of new director for the PFMRU	4	4	A qualified director has been appointed
	Output 7: Build capacity of EPRU	3	3	A competent team is in place and a new macro model established
	Output 8: Establish a tax-payer database on a unique tax payer identification number	3	3	A tax payer database established and a TIN applied since 2009
	Output 9: Government and NPA to agree on schedule for settling arrears	3	3	An MOU between the MoF and NPA has been signed
	Output 10: NPA revenue collection and transparency improved	3	3	Financial accounts for 2006 and 2007 audited and published. The NPA has ordered 25,000 pre-paid meters
	Output 11: NPA's financial position improved by publishing accounts on the website	2	2	Accounts for 2006 and 2007 have been audited and published while those for 2008 and 2009 are underway
	Output 12: A new Mines and Minerals Act passed	2	2	The Act has been passed by Parliament but on the eve of signing, the government signed an agreement with a foreign country granting significant concessions
	Output 12: DACO and MoFED generate monthly report on aid flows	2	2	DACO produces monthly reports drawn from DAC sources but lack of willingness on the part of donors to make data available is a bottleneck
	Output 13: The elaboration of, and adherence to, a schedule for eliminating domestic areas	3	3	Arrears were reduced to 12% compared to 2008
	Overall Output weighted Score	3	3	Programme performed satisfactorily in the delivery of its outputs
Achievement of Project Outcomes	Outcome 1: Increased budget credibility and control, and predictable funding of MDAs and local councils	3	3	Achievement is satisfactory, but the PEFA indicators (PI-2) have not improved much
	Outcome 2: Effective control and scrutiny in the use of public resources	3	3	Satisfactory performance but with little improvement in PEFA indicator PI-28
	Outcome 3: Increased integrity of payroll records and public procurement processes	3	3	The integrity of personnel records has improved; some improvement in PEFA indicators during 2007/2010 were recorded

	OVERALL PROJECT OUTCOME SCORE	3	3	The project achieved most of planned outcomes with minor reservations
Additional Outcomes (not captured in the logfarme)	Institutional Development		3	The programme has enhanced the capacity of MoFED, the audit and tax systems, among others.
	Gender			
	Environment & Climate Change			
	Poverty Reduction		2	There is an indirect effect here: an improved economic governance environment will likely improve accountability and transparency in the use of public funds and thereby benefit the poor.
	Private Sector Development			
	Regional Integration			
	Other (Specify)			
Efficiency in achieving outputs & outcomes	Timeliness (in adhering to the original closing date)	4	4	Project implementation was on time
	Rates of returns (Specify if applicable)			
	Other Criteria (Specify) <i>Cost</i>		4	There was no cost over-run
	OVERALL PROJECT EFFICIENCY	4	4	
Risk to Sustained achievement of Project Outcome**	Weak capacity constraints and external shocks	4	3	Weak capacity constraints can be partially mitigated by improved programme supervision and monitoring

* The output ratings have to be weighted by the relative output costs (see PCR format).
The Overall rating is given Very Good, Good, Fair and Poor. Overall rating is the sub-criteria average.

** Overall risk to sustained achievement of project outcome is rated as follows:

- (i) **High (H)** : 4
- (ii) **Substantial/significant (S)** : 3
- (iii) **Moderate (M)** : 2
- (iv) **Negligible (N)**: 1
- (v) **UTS**
- (vi) **NA**

Criteria	Sub-Criteria	PCR Work Score	OPEV Review	Reason for disagreement/ Comments
Bank Performance	Design and Readiness			
	1. Project Objectives were relevant to country development priorities.	4	4	The programme objectives were highly relevant to the development priorities of the country as contained in the Results-based CSP and in the Bank/World Bank joint assistance strategy
	2. Project Objectives could in principle be achieved with the project inputs and in the expected time frame.	4	4	In principle, the objectives could be achieved with the inputs and within the time frame given the satisfactory project design.
	3. Project Objectives were consistent with the Bank's country or regional strategy	4	4	Project objectives were consistent with Bank's country and regional strategy of reducing poverty in RMCs
	4. The log frame presents a logical causal chain for achieving the project development objectives.	4	3	The log frame presents a logical causal chain for achieving project objectives but it is not fully compatible with the new log frame which focuses on outputs and outcomes.
	5. The log frame expresses objectives and outcomes in a way that is measurable and quantifiable.	3	3	The log frame expresses the objectives and outcomes in measurable ways. The PEFA indicators are available for 2010, while those for 2007 were used as baseline to measure progress and trends in PFM.
	6. The log frame states the risks and key assumptions.	4	3	The log frame identifies the risks but not the mitigating measures.
	7. Conditionality is matched with country capacity and political commitment.	2	2	The delay of the 2 nd tranche was due to the fact that the condition for disbursement (reform of tariff revenue) was not met. A waiver was granted but even then there is no progress on the reform.
	8. Project design includes adequate risk analysis and mitigation measures.	4	3	Design did not state how the effects of external shocks could be mitigated
9. Financial management, monitoring and/or other systems were based on those already in use by government and/or other	4	4	Country systems were in place and the programme also had the benefit of the MBDSG system	

	partners.			
	10. Responsibilities for program implementation were clearly defined.	2	2	Responsibilities were defined but the MoFED had difficulty in carrying along other MDAs
	11. Monitoring indicators and monitoring plan were agreed upon during design.	3	3	The indicators were drawn from the joint government/donor reform matrix and quarterly review meetings at which the Bank participated
	12. Baseline data were available or were collected during design.	3	2	PEFA data were available for 2007 but data for 2010 were not available
	Project Design and Readiness Sub-Score	3	3	The programme was well designed and was therefore ready for implementation

Criteria	Sub-Criteria	PCR Score	OPEV Review	Justification/ Reason for deviation/Disconnect/ Comments
Bank Performance	Supervision			
	1. Bank complied with:			
	<ul style="list-style-type: none"> Environmental Safeguards 	N/A	N/A	No adverse environmental impact beyond better management of natural resources as part of overall PFM improvement
	<ul style="list-style-type: none"> Fiduciary Requirements 	4	4	Fiduciary arrangements are part of the PFM agenda
	<ul style="list-style-type: none"> Project Covenants 	2	2	Conditions for the first trigger were fulfilled but substantial delays for the second and one waiver was produced for the condition on tariff revenues
	2. Bank provided quality supervision in the form of skills mix provided and practicality of solutions.	2	2	Supervision missions were undertaken but disconnected from the PAF review with the exception of the last mission
	3. Bank provided quality management oversight.	3	3	Quality management oversight was provided by the Bank. The waiver for the 2 nd tranche was prepared and approved by the Bank.

	PCR was delivered on a timely basis		4	The PCR was produced on timely basis
	Supervision Sub-Score	3	3	The Bank supervised the programme well. In doing so, it had the advantage of the presence of other MDBG members in the field
	OVERALL BANK PERFORMANCE SCORE	3	3	

The Overall rating is given Very Good, Good, Fair and Poor. Overall rating is the sub-criteria average.

- (i) **Very Good (HS) : 4**
- (ii) **Good (H) : 3**
- (iii) **Fair (US) : 2**
- (iv) **Poor (HUS): 1**

Criteria	Sub-Criteria	PCR Score	PCR-EVN Validation	Justification/ Reason for deviation/Disconnect/ Comments
Borrower Performance	Design and Readiness			
	1. Responsibilities for project implementation are clearly defined.	2	2	Responsibilities were clearly defined but the MoFED as the executing agency, had difficulty in carrying along other MDAs.
	2. Monitoring indicators and monitoring plan are agreed upon before programme launch.	3	2	Indicators were drawn from a joint Government-donor policy matrix. But there the lack of progress on some indicators (tariff reform and audit) suggest that both the Bank and the Borrower slipped on monitoring and limited communication within the Bank slowed down follow up actions in key areas.
	3. Baseline data were available or being collected during programme design	3	3	PEFA data were available only for 2007
	Project Design and Readiness Sub-Score	3	3	
	Implementation			
	1. Borrower complied with:			
	<ul style="list-style-type: none"> • Environmental Safeguards 	N/A	N/A	No adverse environmental impact beyond better management of natural resources as part of overall PFM improvement

	<ul style="list-style-type: none"> Fiduciary Requirements 	2	1	The PFM agenda reinforced fiduciary systems but weaknesses were apparent. The procurement compliance audit for 2009 has not been undertaken and there were delays in transferring UA 1 million that were ring-fenced for the IPFMRP unit
	<ul style="list-style-type: none"> Conditions and Triggers 	2	2	Disbursement was slowed down by lack of progress on three key triggers
	2. Borrower was responsive to Bank supervision findings and recommendations.	3	3	The Borrower was responsive. Indeed it worked effectively with the Bank to speed up progress on reforms and facilitate the disbursement of the second tranche.
	3. Borrower collected and used of monitoring information for decision-making.	3	3	The government provides quarterly information on reforms to the donor group but did not articulate lack of reform progress with specific budget support triggers
	Implementation Sub-Score	3	3	
	OVERALL BORROWER PERFORMANCE SCORE	3	3	Although there were a few lapses (for example, on responsibility, monitoring, fiduciary and conditions mentioned above,) the Borrower performed satisfactorily.

The Overall rating is given Very Good, Good, Fair and Poor. Overall rating is the sub-criteria average.

- (i) **Very Good (HS) : 4**
- (ii) **Good (H) : 3**
- (iii) **Fair (US) : 2**
- (iv) **Poor (HUS): 1**

M &E Design, Implementation & Utilization

Criteria	Sub-Criteria	PCR Score	PCR-EVN Validation	Justification/ Reason for deviation/Disconnect/ Comments
M & E Design	M & E Design			
	Relevant, Clear and realistic M&E in place		2	The existence of the MDBSG and its common PAF provided a base for a monitoring framework. The AR contained a realistic log frame which is anchored to the MDBSG

				system. The log frame however is not fully compatible with the new format which focuses on outputs and outcomes
	Gender disaggregated indicators provided			Not done
	Baseline data were available			
	Design Score		2	
M & E Implementation	M & E Implementation			
	Adequately staffed and equipped M&E function		N/A	
	Borrower collected and analyzed relevant M&E	3	3	The CABS system was in place for use
	Implementation Score	3	3	
M & E Use	Borrower used monitoring information for decision-making	3	3	The government provided quarterly information on reform progress to the donor group
	M&E information used in project reporting (progress reports, PCR)	3	3	The log frame expresses the objectives and outcomes in measurable ways. The PEFA indicators are available for 2007 but not for 2010. The 2007 indicators were used as baseline to measure progress and trends in PFM.
	Use Score	3	3	
	OVERALL M & E PERFORMANCE SCORE	3	3	The PCR did not report on most M&E components

PCR Quality Assessment

Criteria	PCR-EVN (1-4)	Comments
QUALITY OF PCR		
1. Extent of quality and completeness of the PCR evidence and analysis to substantiate the ratings of the various sections:	3	The quality of the PCR was good with few reservations. Its ratings were based on its analysis
2. Extent of objectivity PCR assessment scores	3	Except in one or two a few places, the scores were objective
3. Extent of internal consistency of PCR assessment ratings; inaccuracies; inconsistencies (in various sections; between	3	There was internal consistency among the ratings

texts and ratings; consistency of overall rating with individual component ratings)		
4. Extent of identification and assessment of key factors (internal and exogenous) and unintended effects (positive and negatives) affecting design and implementation:	3	The PCR identified the factors which affected project design and implementation, e.g. the problem in meeting the condition for the 2 nd tranche.
5. Adequacy of treatment of safeguards, fiduciary issues, and alignment and harmonization	3	These issues were adequately covered
6. Extent of soundness of data generating and analysis processes (including rates of returns) in support of PCR assessment:	3	Data gathering in support of PCR assessment was sound
7. Overall adequacy of the accessible evidence (from PCR including annexure and other data provided)	3	The available data was quite accessible but there was no attachment
8. Extent to which lessons learned (and recommendations) are clear and based on the PCR assessment (evidence & analysis):	3	The lessons were derived from the PCR assessment
9. Extent of overall clarity and completeness of the PCR	3	The quality of the PCR is good. It has few shortcomings and even these did not materially affect its quality
Other (to be specified):		
PCR Quality Score	3	Satisfactory PCR
PCR Compliance with Guidelines (PCR/OM; OPEV)		
1. PCR Timeliness (On time = 4; late = 1)	4	PCR was timely.
2. Extent of participation of Borrower, Co-financiers & field office in PCR preparation***	3	The Borrower participated in the preparation of the PCR but there was no evidence that it submitted its own PCR.
3. Other aspect (Specify)		
PCR Compliance Score	3	The PCR complied with the guidelines
*** rated as high/exemplary (4), or substantial/significant (3), or moderate (2), or negligible (1)		