

Special Study

PCR Assessment Report
(Technical Co-operation Operations)

December 2010

Evaluation Department
(EvD)

ABBREVIATIONS

AEOR	Annual Evaluation Overview Report
BAS	Business Advisory Programme
BD	Banking Department
CSU	Consultancy Services Unit
EvD	Evaluation Department
ETCF	Early Transition Country Fund
LL	Lessons Learned
MCF	Mongolia Cooperation Fund
MEI	Municipal and environmental infrastructure
OCE	Office of the Chief Economist
OCU	Official Co-financing Unit
OL	Operation Leader
OM	The Bank's Operations Manual
OPER	Operation Performance Evaluation Review
PCR	Project completion report
PCRA	Project completion report assessment
TAM	Turnaround Management Programme
TC	Technical cooperation
TC Com	TC review committee
TCFP	Technical cooperation funds programme
TI	Transition impact
ToR	Terms of Reference (for consultant assignment)

DEFINED TERMS

The Bank, EBRD	European Bank for Reconstruction and Development
PCR	Project completion report: a self-evaluation document prepared by the operation leader for a technical cooperation operation in line with the Bank's operational procedures as specified in Chapter 10 of its Operations Manual.
PCRA	A special study on a number of PCRs undertaken by EvD in the frame of its Annual Work Programme. The PCR contents are challenged against EvD's evaluation experience.
Population	A set of PCRs submitted during the past year for standard TC operations, excluding any TCs that were linked to already evaluated loans or equity operations by EvD.
(TC) Project Profile Sample	Application for a TC project to the Bank's TC Com A sample of PCRs selected from the population (see above) for more in-depth study. The sample selection follows a similar distribution to the population along various categories.
PCR submission date	Date when the OLs submit their PCR to OCU.
Contract end date	End date according to consultant contract.
Commitment closure date	Date when all invoices have been paid in full to the consultant.

Executive summary

The Evaluation department (EvD) evaluates technical cooperation (TC) in several ways, including the Operational Performance Review Report (OPER), Special Studies and Sector Studies, as well as the Project Completion Report Assessment (PCR Assessment).

The Annual PCR Assessment looks into a number of TC operations that were self-evaluated by their Operation Leaders (OLs) in the Banking department (BD) by delivering the mandatory Project Completion Report (PCR) to the Official Co-financing Unit (OCU).

For the 2009 PCR Assessment, *the Sample of 20 PCRs was selected from a total Population of 306, as submitted between January 2009 and May 2010.* The sample is structured in a similar way as the population and aims to cover as many Banking teams, countries and donors as possible. In addition, the sample tried to include PCRs that used the new reporting template, as introduced by OCU in spring 2010.

For each individual PCR, the EvD Assessment Team conducts comprehensive desk studies drawing on resources available at the Bank's Headquarters, mainly operation files as well as interviews with related Bank staff when available. *Essentially, the assessment methodology relates to input factors* (Bank Handling, Client Commitment and Consultant Performance), *and output factors* (Fulfilment of Objectives, TC Contribution to Bank's Investment, and Transition Impact), *as well as Donor Visibility.*

Out of 20 operations in the sample, 70 per cent achieved a rating of Successful or Highly Successful. Also, the rating of individual parameters, such as Consultant Performance and Client Commitment, was overwhelmingly positive. In comparison with the findings from the OLs' self-evaluations, EvD has downgraded eight projects and upgraded one.

Despite the overall good performance shown, Bank Handling was the area most subject to re-rating. *Areas for potential improvement include the setting of objectives and indicators of achievements as well as record management, with a particular view to the storage of consultant reports.* Sometimes, the main difference between the views of the Operation teams and EvD is merely the effort one is ready to make for TC work.

Highly Successful TCs in the sample are often driven by Excellent Client Commitment or Consultant Performance, combined with *Good or Excellent Bank Performance.* Less successful projects show mostly *Marginal* ratings for Fulfilment of Objectives, Bank Handling, and Client Commitment.

The recent introduction of a new PCR template has helped to streamline the "story" of a project. At the same time, another rating on the output side vanished – the "Fulfilment of Objectives", which *further reduces the scope to compare ratings from OLs with EvD.*

The Assessment team generated some 20 lessons learned (LL) from the PCRs, consultant reports and interviews conducted with the OLs. These have been aggregated across the sample and highlight *a number of issues in respect of TC operations*:

1. Lesson learned: Avoid design flaws by more effectively applying lessons learned.

There are design flaws that could be prevented if relevant experience was consulted in the first place. An effective dissemination and application of LL, as well as increased guidance to bankers, is thus essential to the general improvement of project design at the EBRD.

Recommendation: OCU and EvD, with the support of other related departments, might review the present system of LL dissemination, including possible ways to improve this aspect.

2. Lesson learned: The Bank needs to improve the “evaluability” of its TC projects in general. The lesson reiterated here is, in essence, that satisfactory quantitative and qualitative indicators for project success are not currently available.

Recommendation: Professional guidance – preferably through external experts – on how to ensure the evaluability of the Bank’s TC work shall be sought by OCU and provided to bankers. This could make use of the guiding system on OCU’s internal web site as well as TC training.

3. Lesson learned: There is no systematic monitoring of the value-for-money aspect in the Bank’s TC work. Acknowledging that such analysis is difficult to do, it might be useful to try to find a pragmatic indication for this aspect in a group of similar projects, especially given the declining role of bilateral (tied) donor funds.

Recommendation: The Bank’s internal audit department could be the right unit to pilot ways for finding a practical “value-for-money” analysis. As a starting point, rigorous financial monitoring of tender outcomes in a group of similar projects could be useful in this respect.

4. Lesson learned: By reducing the self-ratings of OLs to the “input and performance” dimension, the Bank is denying itself the use of an important analytical tool on outputs and objectives. At present, for example, there is no aggregate and reliable information available on the percentage of the Bank’s TC work (directly) linked to an investment or on its contribution to its overall transition mandate.

Recommendation: Reinstall the mandatory rating for the “Fulfilment of Objectives” and introduce ratings for “Transition Impact” and “Contribution to Investment”.

Special Study
Assessment of Project Completion Reports
(Regional)

1. Introduction

1.1 EvD Activities in respect of TC operations

Technical Cooperation (TC) funding is a substantial, and increasingly important, resource input for the Bank. It is, in many instances, the crucial facilitator allowing for the preparation and implementation of investment operations. Since the establishment of the Bank in 1991, the total TC contributions from donors – mainly EBRD shareholders – have amounted to €1.5 billion and as of 30 September 2010, a total of 5,312 TC projects have been committed (including TAM/BAS commitments).

It is within the Evaluation Department (EvD)'s mandate to perform independent evaluations of TC operations. TC evaluations form part of the Bank's general fiduciary responsibility towards external TC funding providers. EvD carries out TC evaluations in various forms, including:

- ❖ **TC OPERs** (Operation Performance Evaluation Review): EvD carries out around six such reports per year, mainly for completed larger TCs (individually exceeding €200,000). OPERs require a full-scale revisit of an operation (that is, all cycle stages) and involve field trips and consultations with clients, TC service providers, relevant stakeholders and other parties. The undertaking of an OPER may also involve consultant input.
- ❖ **Special Studies:** Each year EvD prepares approximately six special studies covering investments and TCs (for example, sector strategy evaluations, thematic synthesis reports and mid-term reviews; evaluations of TC funds and programmes, such as TAM, BAS, MCF and ETCF). These studies also involve field visits, interviews with the main stakeholders and beneficiaries, and occasionally consultant input. Like OPERs, they are based on independent evidence obtained by the Evaluation team from project sites and, due to this direct access to information, they fall into the category of so-called "direct evaluations".
- ❖ **PCR Assessments** (PCRA): Distinct from the latter, this exercise, which is also counted as a Special Study, is carried out as a desk study. While attempting, as far as possible, to verify the information provided in the TC Project Completion Reports (PCRs), the assessment is neither based on a field visit, nor on communication with the Consultant.

In addition, the **Annual Evaluation Overview Report** (AEOR) provides a comprehensive overview of EvD's evaluation coverage and findings in the TC field.¹ According to the AEOR 2010, the total volume of evaluated TC operations based on an OPER exercise, as a percentage of the volume of TC operations with a completed PCR, is 27.2 per cent. The coverage ratio rises to 65 per cent if groups of TC commitments covered in sector and thematic special studies are included.

1.2 Evaluation Framework for the PCR Assessment

The purpose of this PCR Assessment, as of evaluations in general, is twofold. In compliance with the Bank's fiduciary obligation towards its shareholders and fund providers, evaluation serves (1) accountability purposes as an *external* obligation concerning transparency and information, and (2) quality management purposes as an *internal* obligation, by retrieving

¹ It should also be noted that EvD provides further assessments to TC donors through the evaluation of investment operations that have an important TC component.

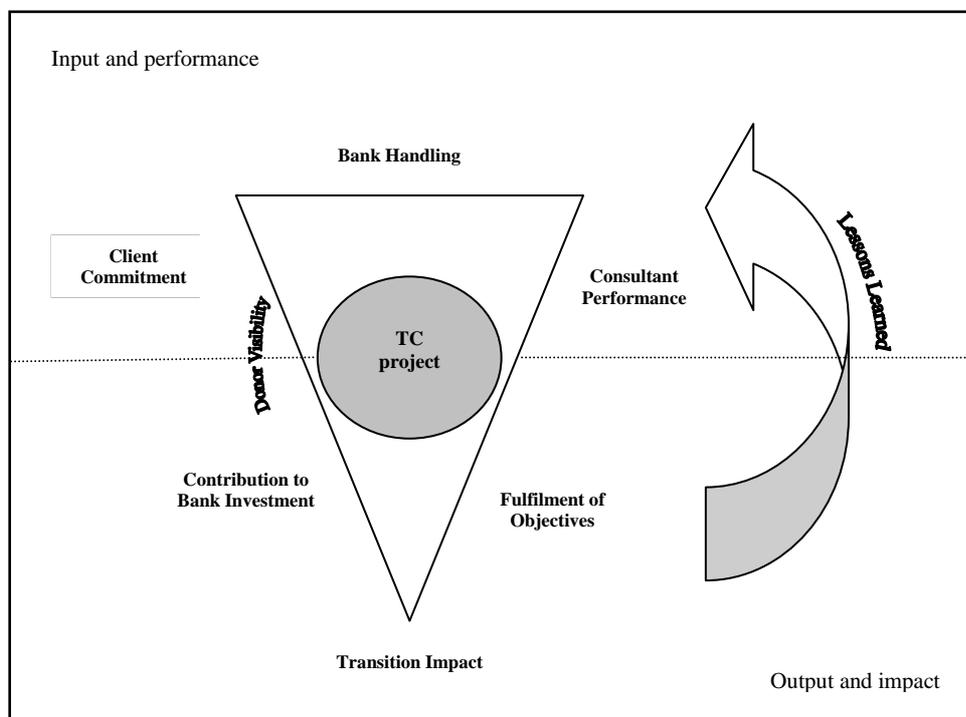
lessons learned (LL) from past experience for dissemination and feedback to benefit future TC activities.

Similar to the Bank's investments, TC operations are subject to a diligent appraisal, monitoring, and self-evaluation process. The results of these processes are documented in: (a) the Technical Cooperation Request package to the TC Review Committee (TC Com) for the appraisal stage, notably including the TC Project Profile and consultant terms of reference (ToR); (b) the Project Progress Reports during monitoring stages for TCs with a longer gestation period (normally exceeding six months); and finally, (c) the mandatory PCR² upon TC completion.

PCR handling is described in Chapter 10 of the Bank's Operations Manual (OM). To give an example, completion reporting is outlined as follows (Section 10.10): *"the Operational Leader (OL) will, on closure of the commitment (...) fill in a Project Completion Report (PCR). This shall be done within three weeks after closure of the commitment."* More specifically, the PCR focuses on the performance of project participants, applying ratings for the Consultant's performance, the Client's commitment and the Bank's handling of the assignment. The report concludes on an overall rating of the project's success and generates LL. It is, therefore, regarded as a self-evaluation tool for the OL.³

PCRs are submitted to the Official Co-financing Unit (OCU), the Bank's custodian for TC resources, for general review, after clearance by the management of the operation unit concerned. The individual PCR assessment that is carried out by EvD in turn takes a closer look at the different aspects illustrated in Figure 1.

Figure 1: Aspects of a TC operation and related PCR Assessment



² There are two types of TC projects for which PCRs are delivered: "standard" and "framework". The latter is where the assignment is made up of several sub-projects ("call-offs") that are included under one "umbrella" approval.

³ Similar to the Expanded Monitoring Report (XMR) that is conducted for the Bank's investment operations.

In preparing individual PCR assessments,⁴ EvD uses information provided by the teams in the Banking department (BD) and the TC-related documentation, namely the TC Project Profile, ToR, contract dossier and reporting files, and correspondence with the parties involved. Interviews are conducted with the OL concerned in order to clarify PCR issues and discuss general findings and any particular LL. Finally, the Assessment team goes through each individual PCR, confirming or changing it by either downgrading or upgrading the ratings and adding their comments (see Part II – “Appendices”). All the final EvD ratings have been discussed and agreed with the available Operation team members.

As will be seen further on, *this study does not aim to yield any conclusions in quantitative terms for a wider population and is only applicable to the non-random sample assessed.* The focus lies on “quality aspects” and encouragement of discussions when raising questions such as: *When do we assume Bank Handling to be excellent? What are common problems in defining and fulfilling objectives? Can the concept of donor visibility be improved? What about the PCR form and its appropriateness for different types of project?*

1.3 Presentation of the PCR Assessment Sample

The sample⁵ for this PCR Assessment was taken from 306 PCRs that were submitted between January 2009 and May 2010 (excluding projects executed under TAM/BAS), which is further referred to as the “population”. PCRs are selected for assessment in accordance with the patterns in the overall population and along such categories as country, banking team, sector, donor, project type and overall rating. In addition, and as a principle rule, it aims to reach a wide range of BD staff members (please see Annex 1 for details).

This year, there was a novelty in so far as new templates for progress and completion reporting had been introduced by OCU in spring. It was therefore interesting for the Assessment team to see which differences, if any, would emerge between those PCRs that followed the old templates, and those following the new ones. This aspect is further dealt with in sections 3.2 and 4.4.

Table 1: List of Final Sample – Projects Selected for PCR Assessment 2009/10

No.	Sector	Country	€ Amount	TCO type
1	Energy Efficiency	Ukraine	415,343	Project Implementation
2	Electric Power Generation	FYR Macedonia	178,284	Project Implementation
3	Water & Sewage	Russian Federation	349,000	Project Preparation
4	Financial Institutions	Mongolia	282,045	Project Implementation
5	Energy Efficiency	Kazakhstan	297,919	Sector work
6	Financial Institutions	Tajikistan	100,000	Project Preparation
7	Municipal & Environmental Infra	Russian Federation	101,010	Project Implementation
8	Energy Efficiency	Regional	89,799	Project Preparation
9	Financial Institutions	Regional	334,000	Sector work

⁴ The principal approach of the PCR Assessment is described in the “Evaluation Policy Review” 2006, chapter 2.4.8 “Project completion on TC operations”.

⁵ Unlike in other years, the Evaluation team stuck to the sample of 20 projects as selected, even though project No. 7 proved to be not “evaluatable” or “rateable”. Still, EvD thought it might be useful to attract attention to the fact that these cases exist.

No.	Sector	Country	€ Amount	TCO type
10	Financial Institutions	Azerbaijan	539,059	Project Implementation
11	Property and Tourism	Bosnia and Herzegovina	314,141	Sector work
12	Electric Power Distribution	Ukraine	192,842	Project Implementation
13	Energy Efficiency	Turkey	150,000	Project Preparation
14	Financial Institutions	Kazakhstan	548,198	Project Implementation
15	Financial Institutions	Mongolia	449,891	Project Preparation
16	Financial Institutions	Ukraine	1,498,166	Project Implementation
17	Steam and Air Conditioning Supply	Russian Federation	256,506	Project Implementation
18	Justice, Public Order & Safety	Moldova	245,093	Sector work
19	Water & Sewage	Poland	81,233	Project Preparation
20	Transport	Montenegro	140,000	Project Preparation

As can be seen from Table 1, the financial volume per project ranges from some €80,000 to almost €1.5 million, with an average budget of approximately €328,000. In total, almost €6.6 million was spent within the sample, which is an 11.8 per cent share of the total budget of the population (€56 million).

2. Overall assessment

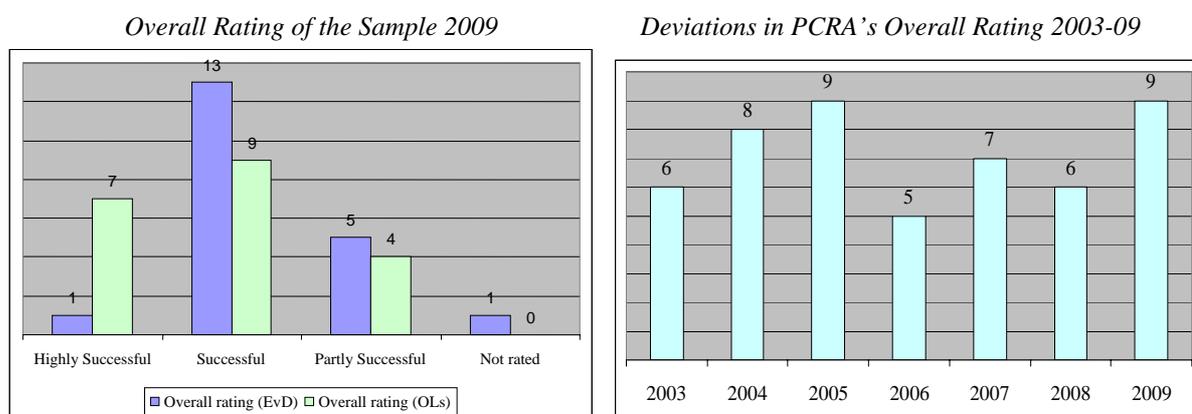
2.1 Summary of Overall Ratings

The overall rating comparison of PCRs is presented in Table 2 below. The related PCR Evaluation Matrix, attached in Annex 2, shows the basic features and quality of parameters for the ratings given. In EvD's view, the OLs have done their self-evaluation work reasonably well within the sample of 20 TCs, with the exception of one case. In one instance, EvD upgraded the rating, in eight instances the ratings were downgraded and in 10 cases EvD confirmed the ratings provided in the PCR. In the one remaining case, EvD abstained from a rating due to the unavailability of sufficient information and/or staff members to allow for a sound judgement.

Table 2: List of Overall Ratings

Sector	Overall Rating	
	PCR	EvD
Energy Efficiency	Highly Successful	Successful
Energy Efficiency	Successful	Partly Successful
Energy Efficiency	Successful	Successful
Energy Efficiency	Highly Successful	Successful
Financial Institutions	Partly Successful	Partly Successful
Financial Institutions	Successful	Successful
Financial Institutions	Partly Successful	Partly Successful
Financial Institutions	Highly Successful	Successful
Financial Institutions	Successful	Not rated??
Water & Sewage	Partly Successful	Successful
Steam & Air Conditioning	Successful	Successful
Water & Sewage	Successful	Successful
Justice, Public Order & Safety	Highly Successful	Highly Successful
Electric Power Distribution	Highly Successful	Successful
Electric Power Generation	Highly Successful	Successful
Transport	Successful	Partly Successful
Financial Institutions	Successful	Successful
Property & Tourism	Partly Successful	Partly Successful
Financial Institutions	Highly Successful	Successful
Municipal & Environmental Infra	Successful	Not Rated

Figure 2: Number of Projects re-rated in this and Previous PCR Assessments



It should be noted that performance outcomes of TC operation evaluations do not lend themselves to an aggregation of overall evaluation results in the same way as investment operations.⁶ Therefore, and as stated before, this PCR Assessment focuses rather on the analysis of qualitative aspects in TC implementation. Deviations between the ratings applied by EvD and OLs are described in greater detail in Section 3.

2.2 Outcomes of composite ratings among the sample

The section below presents individual ratings for different parameters in the fields of “Output and Impact” as well as “Input and Performance” that make up the overall rating. In addition, some practical examples taken from the sample that illustrate how the rating system works on individual TC operations are presented in boxes 1-6 in the remainder of this section.

⁶ Which is due to the nature of taking a “purposeful” or structured sample instead of a random one (as is done, for example, for selecting the XMR assessments and reviews).

2.2.1 “Output and Impact”: Fulfilment of Objectives

Rating the “Fulfilment of Objectives” is challenging, as the Assessment team – much like in earlier assessments – found that in most cases the original description of the objectives lacked clarity. In addition, the problem persists that objectives appearing in different Bank documents at several TC project stages (that is, the TC Project Profile, the Consultant’s ToR and the PCR) are not always in accordance. A new problem has arisen with regard to the assessment, as the new template does not require the OL to rate this aspect (see also Section 3.2).

It is, however, a worthwhile exercise to sit down with the OLs and to discuss the matter in order to come to a common understanding on the project objectives. Sometimes that leads to a slight amendment of the formulations in order to better comply with formal project management requirements. As the next step, a rating is applied to the fulfilment of “primary”, “secondary” and “overall” objectives.⁷ By applying ratings, the Assessment team arrived at another conclusion on the achievement of objectives in about seven cases.

Box 2.1: Practical Example: Project Preparation in the Sustainable Energy Sub-sector

Bank Handling	Client’s Commitment	Consultant’s Performance	Fulfilment of Objectives	Contribution to Bank Investment	Transition Impact
Overall rating: <i>Successful</i>					
Good The Operation team designed the contents of the market study very well and also closely monitored the Consultant, thus avoiding a bottleneck situation at the end of the assignment. Possibly, progress reporting for such short term projects should be waived as the system required a report for this assignment before it had even begun.	n/a	Excellent The Consultant delivered a comprehensive and highly professional output – fully in line with the team’s expectations. The combination of international and local experts proved very successful and the Consultant’s flexibility to the Bank’s timetable was additionally praised.	Excellent The objective was fulfilled as envisaged, and the resulting study enabled the EBRD to launch market-based financing mechanisms for energy efficiency and renewable energy projects in the country. The report has been used as information input by a number of teams.	Good It appears that the study had a direct impact on a dedicated EBRD credit line and also provided very relevant information on DLF projects, the utilisation of the ESCO concept and on direct financing of energy efficiency projects	Good <i>Satisfactory</i> TI at best was forecast, but the Evaluation team upgraded this as the related investment project with its own TI was approved so quickly and also the market study triggered the Bank’s policy dialogue with the Government.

Not surprisingly, there is a strong link between the fulfilment of objectives and the overall rating of the project success (that is, all the *Successful* cases showed at least a *Good* achievement of objectives). The same is true for the lower end of the scale.

⁷ While the old template of the PCR provides only one summary rating for the achievement of secondary objective(s), EvD has rated any secondary objective in its achievement separately. Similarly, EvD gives an explicit rating for the fulfilment of “Overall Objectives”.

2.2.2 “Output and Impact”: Contribution to Bank Investment⁸

The sample shows that the majority (14 out of 20) of single operations were directly related to a Bank investment, for example through preparation (six operations) or implementation (eight operations) projects. The remaining six operations were accounted for as sector work, comprising for example “advisory” projects to support policy dialogue, legal improvements and more general institutional development in the Bank’s countries of operations.

Box 2.2: Practical Example: Project Preparation in the Property and Tourism Sector

Bank Handling	Client’s Commitment	Consultant’s Performance	Fulfilment of Objectives	Contribution to Bank Investment	Transition Impact
Overall rating: <i>Partly Successful</i>					
Good The ToR were clear and precise, and the structure and the scope of work is commendable. However, after many studies on the subject, an advisory project that avoided the typical repercussions of the political situation in the country should have been possible.	Good The Client was the state-level Chamber of Commerce, with responsibility for the procurement and contracting of the Consultant. This apparently proceeded smoothly, but there were instances of environmental information being unavailable, although one of the client’s obligations was to provide all necessary data on the sector.	Good The Operation team highlighted the successful completion of the assignment despite the difficult political environment, and timeliness of reporting. The methodology is generally good, and the project assessments appear logical and feasible. The financial proposal was the highest of all tender participants but according to the Operation team it was the right choice.	Satisfactory In terms of the primary objective, the improvement of the investment climate in this market segment, success was limited. The team was not able to complete an MOU on a national tourist development strategy with the Ministry concerned at state level. The occurrence of the global financial crisis was not helpful either in this respect.	Marginal The TC has proven that the biggest obstacle for the investment climate seems to be the lack of coordination at a central level. This was coupled unfortunately with the financial crisis. There are still no Bank investments in the sector although a number of identified projects were indeed supported by agents other than the EBRD.	Satisfactory The flow of FDI into the country has increased over the last few years, although affected by political and economic “force majeure”. As another – indirectly related – Ministry was reported to have been eagerly interested in the study though, it could still unfold some effects in the future.

Seven of the TC operations in the sample have shown a *Good* contribution to investments, while one other case was rated *Good/Excellent* and one *Excellent*. As the above case of the Bosnia and Herzegovina (BiH) property and tourism sector study shows, a TC operation can be aimed first at preparing for a Bank investment, even though it is classified as “sector work”, and second, activities might be “necessary” for a future investment operation but possibly not “sufficient”.

2.2.3 “Output and Impact”: Transition Impact

The link between overall rating and “Transition Impact” (TI) seems to be similar to that described for the “Contribution to a Bank Investment”. With one exception, all operations with an overall rating of *Successful* or better have also received a *Good* or, in one case, *Excellent* TI rating.⁹ This is hardly surprising, and reflects how closely TC is tied to the Bank’s mandate. Having said that, the contribution of TC to TI varies in intensity. Within the

⁸ Sometimes this criterion overlaps with “Fulfilment of Objectives”, for example when the main purpose of the TC project is to support the implementation of an investment operation.

⁹ In another three cases, the rating of TI was still *Satisfactory*.

sample, there were six cases with *Significant* TI potential, eight projects with *Moderate* TI potential, and six cases showing *Minimal* potential for transition. One of these cases is illustrated in Box 2.3.

Box 2.3: Practical Example: Legal Advice on Sector Reform

Bank Handling	Client's Commitment	Consultant's Performance	Fulfilment of Objectives	Contribution to Bank Investment	Transition Impact (TI)
Overall Rating: <i>Highly Successful</i>					
Good A very well-structured assignment, making the best use of the available resources and incorporating the donor's preferences. The team secured results that would have not been achieved by the Consultant alone. The OL explained that the Draft Law is in itself an equivalent output to a Final Report, but as the contract stipulated the production of a final report, this should have been provided.	Excellent There has been enduring support for the project team and the Bank throughout the assignment and thereafter. The Client was said to have been fully supportive and committed to the necessary reform steps, and it is reported that the final draft still contains all the crucial elements advised by the legal external experts.	Good/Excellent The services were delivered by a number of consultants including local expertise. The individual results varied slightly, but overall the tasks were very well executed. This appears to be true for both project components.	Excellent The assignment produced very valuable outputs. The advice was provided under enormous time pressure with the final draft law being sent to the authorities at the end of 2006; the new mortgage law was, however, not adopted before June 2008, although it still contained all the recommended elements.	Good Even though the project is not directly linked to a Bank investment, it helped to provide the appropriate environment for future investment projects to be launched. By its very nature, this type of assignment is a necessary rather than a sufficient condition for greater Bank activity in this segment.	Excellent The TI success indicators were: 1) a set of new legal provisions derived from international best practice; 2) willingness to use the same by the local market; and 3) the publication of the EBRD minimum standards and their usage. While 1) and 3) are under way, 2) is currently being evaluated in cooperation with OCE.

2.2.4 "Input and Performance": Client Commitment

The majority of TC operations are provided to an external client, who should have a natural interest in fully cooperating with the Bank and the Consultant during the assignment, and in providing access to all required information. More specifically, when the assignment is coupled with an investment operation, there may be a number of obligations – partly fixed within covenants – with regard to specific reform commitments made by the client. In three cases within this sample, the Bank itself was the client (for example, the provision of legal advice with regard to creating an Energy Efficiency Law in Kazakhstan). Obviously, in these instances, a rating for Client Commitment is not applicable.

In five other cases, the Assessment team were unable to contact a former OL or any other person that could provide information on the Client's behaviour. In cases where the Consultants judged and described this aspect in their reporting, the rating was based on such information and the rating provided in the PCR. Again, in this report it has been generally perceived that OLs do not face significant problems with a lack of client commitment; however, some comments were made in this regard as to whether it may be more useful for the Client to contract the Consultant, rather than the Bank (see "Lessons learned").

Box 2.4: Practical Example: Project Preparation in the Transport Sector

Bank Handling	Client's Commitment	Consultant's Performance	Fulfilment of Objectives	Contribution to Bank Investment	Transition Impact
Overall rating: Partly Successful					
Good The team prepared and implemented the project well, except: 1) the design of the ToR originally foresaw an additional component for helping to identify a strategic investor. During the presentation of the project at TC Com, the team was asked whether it would not want to split this component but the team declined. Eventually this component was removed from the ToR, and triggered an additional TC; and 2) the time frame was too short.	Marginal The project was initially delayed by the Client's management not wanting to provide transparent information on its financial situation. While it is understood that this is a sensitive issue, the Client should have understood prior to this project that such disclosure would be needed for a successful assignment. There was also no reason for the lack of trust, as the Consultant was selected by the Client itself.	Satisfactory The rating in the PCR for the overall compliance of the Consultant with the project ToR is <i>Excellent</i> but there were some weaknesses detected in certain areas of the Consultant's assessment. However the swift delivery of the services and the cooperation with the Bank and the Client appear commendable.	Satisfactory It appears that the achievements varied across the range of tasks. The ToR for this assignment might not have been clear enough with regard to what was expected from the Consultant. Nonetheless, the Consultant did a good job with some weaknesses in the technical due diligence and an overly optimistic forecast of future financial scenarios.	N/R Not rated, as there was no investment to follow this TC project. The main reasons for this decision was described as the repercussions of the global financial crisis and the very limited interest in purchasing stakes in the Client	N/R Not rated as the nature of the assignment did not suggest a high TI. The Consultant recommended the installation of a Chief Finance Officer but the current Client web site indicates that this did not happen. To be fair, an in-depth change in the corporate culture and operations of a company can scarcely be expected from a three-month consultancy.

2.2.5 "Input and Performance": Consultant Performance

The quality of services delivered by consultants is believed to be very good in general and accordingly the PCR ratings of this aspect are usually commendable. More specifically, the services were judged to have been *Excellent* in six cases, between *Good* and *Excellent* in one, *Good* in another eight and *Satisfactory* in two. In three projects, however, no rating was provided due to the lack of information, and the rate of Consultant (Final) Reports that were unavailable for the Assessment team has again reached high levels (some 20 per cent) this year.

Box 2.5: Practical Example: Energy Sector Reform Project

Bank Handling	Client's Commitment	Consultant's Performance	Fulfilment of Objectives	Contribution to Bank Investment	Transition Impact
Overall rating: Successful					
Good The team designed and handled the assignment very well. The Ukrainian power sector reform is definitely not an easy field for policy dialogue and the EBRD is far from being the	Good It is difficult to come to an independent judgement as the Evaluation team only has the information given in the PCR. The Consultant report does not include any information on	Excellent The quality of the Consultant's very comprehensive final reports is excellent. The Operation team added useful information about the Russian-language skills of the experts in the	Good In practice this project was very much split into two components: "transmission" and "distribution". Although outputs of excellent quality are present, it is not	Good This assignment was considered vital for one investment, to develop a new tariff methodology. The provision of some more detailed information within the PCR	Good The potential was rated <i>Excellent</i> with a <i>Medium</i> to <i>High</i> risk. The impact was specifically expected from the establishment of sub-sector sustainability to finance

Bank Handling	Client's Commitment	Consultant's Performance	Fulfilment of Objectives	Contribution to Bank Investment	Transition Impact
only actor in it. Still, the Evaluation team is less impressed with the quality of the PCR and could not obtain the Consultant's reports easily.	the cooperation with the Client. However, the PCR indicates that some efforts were needed to ensure the Client's ownership of the project.	PCR. It was concluded, that <i>"The Consultant together with the Client successfully gained consensus among stakeholders on proposed tariff methodology reforming measures in the course of the assignment."</i>	clear to what degree the given recommendations have been implemented. The secondary objectives have definitely been achieved, while it is too early to conclude on a rating for the primary objective.	would have been desirable, for example whether this assignment had the intended impact and to which degree the wider sector reform objectives of the EBRD were met.	investments for energy efficiency enhancement and the promotion of investment by giving a clear price signal for the cost of the delivery of energy to end users.

It goes without saying that Consultant Performance is a substantial parameter for the "Fulfilment of Objectives" and the "Overall Rating" of a project. And indeed, the sample shows a close correlation between these two dimensions – five out of the six cases of *Excellent* Consultant Performance are seen in projects with a *Successful* or better overall rating. Still, the Consultant output must be supported by a committed client, good Bank handling and an enabling environment, in order to achieve a successful outcome.

2.2.6 "Input and Performance": Bank Handling

Confirming the findings of previous PCR Assessment reports, this year's study also suggests a built-in bias in the OLs' self-evaluation of their own performance. If, for instance, EvD explained the negative outcome of a project with inadequate Bank Handling, the team in charge would argue that the challenging environment in the host country was the reason for failure. Bank Handling was downgraded in more than half of instances, while in just one single case was it upgraded. However, this should not give the wrong impression as the downgrade was often from *Excellent* to *Good*. In addition, all [available] OLs agreed with the proposed new ratings, once they became familiar with EvD's approach.

Box 2.6: Practical Example: Project Implementation (Interim Management) in the Financial Sector

Bank Handling	Client's Commitment	Consultant's Performance	Fulfilment of Objectives	Contribution to Bank Investment	Transition Impact
Overall rating: Partly Successful					
Excellent The handling of this assignment was certainly not an easy task for the Operation team. It is very commendable that the problems were identified and addressed by swift and decisive actions, sufficient to maximise what could be salvaged for the Bank. The	Satisfactory The Consultant confirmed in its reports that individual managers and staff at the Client institution would have been committed to change and eager to learn. The problem at the time was seen, rather, to be a lack of absorption	Good The main reason for selecting this particular Consultant was its working experience in the country, which proved to be of vital importance. In addition, the available Consultant reports are clear and of good quality.	Marginal A clear case of "force majeure" prevented the majority of objectives from being realised. This is especially unfortunate as the Consultant's reports indicated some quite positive developments. Nonetheless, the presence of the	Good Support for the Bank's equity investment deriving from this TC was quite different from original expectations. However, the Consultant did a tremendous job of providing first-hand information on the Client's business and	Marginal The TI designed for this project was immense and so was the risk attached to it. Seeing the initial development at the Client would have been promising, if not for the subsequent emergency measures of quite a different nature. It must be

Bank Handling	Client's Commitment	Consultant's Performance	Fulfilment of Objectives	Contribution to Bank Investment	Transition Impact
Operation team also highly praised the support they received from the CSU.	capacity (that is, lack of relevant skills and experience).		Consultant team on site should later prove to be of high importance for the Bank.	figures. This proved to be of paramount importance in the time to come.	concluded that a long term impact is unlikely regardless of future developments.

Again it is not surprising to see a direct and strong correlation between Bank Handling and Overall Rating.¹⁰ Still, and similar to the Consultant's section, three projects in the sample were only *Partly Successful* overall, even though the Bank's Performance had been rated *Good* or better (as in the case demonstrated in Box 2.6 above). In one case, the Assessment team concluded on an *Unsatisfactory* rating, given that one Operation team had "abandoned" the TC project and the team that inherited it applied ratings in the requested PCR that were barely grounded in reality.

2.2.7 Donor Visibility

The recognition of donors as the funding source for distinct TCs, independently or in association with a linked investment operation, is a legitimate request, which is in the interests of the Bank, which continuously seeks fund replenishments. "Donor visibility" should therefore be maintained where possible and reasonable. More specifically, the donor institution is keen for the following parties to be made aware of their engagement: (i) the beneficiary; (ii) related actors and related parties present in the area/country or concerned with the issue; and (iii) the public at large. The three target groups will vary from one project to another depending on the amount of funds, specific topic, and so on. This is especially true for (iii).

Most of the measures undertaken consist of informing the client and the consultant of the origin of donor funds, and of inviting donor representatives to the official ceremony in relation to the project (or more likely its underlying investment operation). It is rare for a consultant or even the client to distribute this information any further than that, for example by putting it on their web site or mentioning it in reports. In comparison to last year, this year's assessment revealed very good results with regard to donor visibility. Half of the projects received a rating of *Satisfactory* or above and an *Excellent* rating was applied in four cases, more than ever before.

This is a very welcome development. However, it is unlikely that this year's good results were triggered by the measures implemented after the last PCR assessment exercise, as the sample projects had mostly been approved before. EvD nonetheless commends the proactive approach of the Bank's Communications department, which is now involved from the outset in projects with anticipated high visibility.¹¹ The effects of these measures should be carefully observed in the years to come.

¹⁰ As a matter of fact, Bank Handling is seen as the key input to project performance, as EvD attributes to the Operational team considerable influence on Consultant Performance and Client Commitment. The link goes two ways: *Marginal* or *Unsatisfactory* Bank Handling results in a project receiving a less successful rating, while Bank Handling tends to be downgraded for projects with poor overall ratings.

¹¹ More specifically, the Communication department has published related guidelines and supervises comments on donor visibility as entered for projects in TCR Quick Access. OLs are consequently advised to contact Communications to plan and arrange visibility.

3. Deviations in rating and the new PCR template

3.1 General deviations in rating

As in the past, the assessment analysed the spread between the OLS' self-evaluations as manifested in individual PCRs and the related ratings that emerged as a result of this independent desk study. Box 3.7 below presents the average rating deviation as summarised for each criterion in the PCR Assessment reports during the last five years.

Box 3.1: Average rating deviations between OL and EvD in PCR Assessments 2003-2009¹²

PCR	Deviation (average %)
Overall rating	36%
Bank Handling	55%
Client Commitment	28%
Consultant Performance	33%
Donor Visibility	20%
Fulfilment of Objectives	33%
Contribution to Bank Investment	29%
Transition Impact	30%

There appears to be a rather low degree of divergence in the rating of some aspects (for example, "Client Commitment") and a higher degree of deviation when rating other criteria (for example, "Bank Handling"). This makes perfect sense when considering the highly complex nature of the latter, which is likely to foster more discussions on the right approach. Interviews with the OLS showed that the understanding of such parameters is subjective and differences readily occur when discussing related issues in more depth.

Moreover, and despite EvD attempts to evaluate each TC as neutrally as possible, the conclusions that the Assessment team draws when assessing a PCR may be distorted due to this study's nature as a desk study that relies heavily on input from self-evaluations. The PCR Assessment is not a "360°-review", that is, usually it does not benefit from comments from clients, consultants or other stakeholders, including "third parties" involved in the TC.

3.2 The new PCR template and its effect on the comparability of ratings

As discussed in last year's PCRA report, the template used for project progress and completion reporting had in the past undergone a number of changes, with the result that it was, at times, perceived as bulky or confusing. One of last year's report's¹³ recommendations was consequently: "to develop and implement a new 'streamlined' version of the current PCR Template". This did indeed happen in spring 2010 when the new templates for progress and completion reporting were distributed Bank-wide by the Head of OCU. As stated before, a number of the projects involved in this assessment followed the new format

EvD shares OCU's overall first impression that the new template makes it easier for OLS "to tell the story" rather than to cut and paste information that has been submitted at different stages of the project lifetime. Thus, the message is clearer and more streamlined and in

¹² Thus, including 140 individual assignments, assessed in seven PCRA reports.

¹³ Which was in that year carried out as a joint review and assessment in cooperation with OCU (see PE08-409S).

addition, the reports have become much shorter (closer to one to two pages rather than three to four as before). Some may even appear to be too short now, as a number of OLs do not seem to follow the guidance and sub-divisions provided in the template to describe the achievements. However, the full impact of the revised template remains to be judged after having seen a greater population of the new PCRs.

In the new format, the rating of one important category was not retained: the “Fulfilment of Objectives”. Consequently, the self-evaluation tool is now reduced to the “Input and Performance” sphere only¹⁴ (compare to Box 3.2 below and Figure 1 above) while EvD continues to rate the dimensions under “Output and Impact”, as well as Donor Visibility. Box 3.2 below shows that only 50 per cent of applied ratings are now comparable.

Box 3.2 Applied ratings for TC project completion

	Category	PCR	EvD
	Overall Rating	√	√
<i>Input & Perf.</i>	Bank Handling	√	√
	Client Commitment	√	√
	Consultant Performance	√	√
	Fulfilment of Objectives		√
<i>Output & Impact</i>	Contribution to Bank Investment		√
	Transition Impact		√
	Donor Visibility		√

This raises the question of whether the PCR Assessment, as it is currently undertaken, is and will continue to be appropriate in the future. Rather than considering an adjustment of the PCR Assessment in compliance with the ratings required in the new PCR format, the usefulness of the individual rating parameters should be discussed. First, the separate rating of the degree to which the projects objectives have been fulfilled is widely accepted good practice in project management and evaluation. Consequently, all EvD (TC) OPER reports make a distinction between the “Fulfilment of Objectives” and the “Overall Performance Rating”. It would be definitely recommendable to maintain this category in the PCR template as well.

Second, the TI rating of a TC assignment could be assumed to be quasi automatic, given the EBRD’s mandate as well as the principal potential that many TC projects – mostly those related to project implementation and advisory/sector work – have. Note should be taken, that OCE is applying an *ex-ante* TI rating for each commitment at the preparation stage.¹⁵ Thus, the OL would only be required to either confirm the original expectations, or to elaborate on the different development. The lack of information on the link between TC and TI has been diagnosed in a number of EvD studies, most recently the evaluation of the Shareholder Special Fund.

Third, and lastly there are good reasons to recommend a rating of the aspect of whether, and how, a TC project has contributed to a Bank investment operation. Similarly to the TI, there is no reliable data on this aspect available at the moment. Acknowledging that a (large) number

¹⁴ The 2003 and 2004 PCRA reports have already described that “output-factors” would not be rated in the PCR population.

¹⁵ Included in Section 3.2 of the TC Project Profile submitted to TC Com for approval. Here OCE rates the potential as well as the risk attached to it, analogous to investment operations.

of TC projects might not have any link, it is even more important to more vigorously monitor the groups that do have a direct relation. This will be a basic requirement for improving the availability of (aggregated) information (see Section 4.4 below) on the Bank's TC work.¹⁶

4. Key issues, lessons learned and recommendations

During the captioned PCR Assessment process, the Assessment team generated some 20 lessons learned from the individual cases, mostly stemming from the interviews with the OLs, and occasionally from the Consultant's reports. Each individual lesson is presented in context in Part II – Appendices to this report. Those appearing suitable for a wider range of TC operations are summarised below.

4.1 Project design leaves room for improvement

As usual, a large number of lessons relate to the design of the project and notably the Terms of Reference (ToR) for Consultants. While a number of positive observations were made, the area of project design more generally leaves room for improvement. In one case for example, certification of compliance with a given environmental standard had been designed as a direct objective for the Consultant's assignment, while it became clear in the discussions with the OL that such a process in general takes a number of years. In the context of setting up an MSE-related framework the Team underestimated the need for project preparation measures, while in hindsight the project implementation services appeared overstated. One project, although correctly identifying the risk that the Client might not deliver the needed information to the Consultant in time, did not take sufficient measures to prevent it, and consequently this did happen and hampered the project implementation.

Lesson learned: avoid design flaws by more effectively applying lessons learned. There are design flaws that could be prevented if relevant experience was consulted in the first place. If relevant colleagues are no longer around, the OL should get in touch with the TC coordinator, OCU or EvD to consult on previous experience and good practice. An effective dissemination and application of LL, as well as increased guidance to bankers, is thus essential to the general improvement of project design at the EBRD.

Recommendation: OCU and EvD, with the support of other related departments, might review the present system of LL dissemination, including possible ways to improve this aspect in the frame of the TC training course. In addition, TC Com might consider working with LL in project design to a larger extent than before.

4.2 Evaluability of projects is often unnecessarily problematic

The "evaluability" of an assignment is determined by a number of factors. Most importantly, it relies on the definition of clear objectives as well as objectively verifiable success indicators. There are a number of assignments that – by their very nature – do not easily lend themselves to (impact) evaluation. Project preparation measures for example, such as technical due diligence, feasibility studies, market studies and so on, are solely technically oriented and their success would be (mostly) reflected if and when an investment follows.

¹⁶ It is, for example, impossible to gain a clear picture on even which percentage of TCs shows a direct link to investment operations. The OCE Transition Impact Retrospective 2009 (CS/FO/09-21) states two different figures for this aspect: 35 per cent of the TCs in 2008 (page 89) is presented versus 60 per cent for the same period (page 86). This could be explained by either including or excluding TAM/BAS figures in the overall statistics. However, such an explanation is not made explicit, and the experience of the Assessment team suggests in general that the information provided in the systems is not 100 per cent accurate.

Still, there is a large group of projects for which impacts and outcome would or should be evaluatable at a reasonable cost. This is, for example, the case for legal advisory projects as well as project implementation measures, especially institution building TCs. An example of the latter are the often large and multi-annual framework programmes for lending to small and medium businesses via partner banks. This year's PCRA again saw assignments in both categories where there was no system available to professionally monitor the outcome.

Lesson learned: The Bank needs to improve the “evaluability” of its TC projects in general. The evaluability criterion is similar, but not limited to, the requirement to define quantifiable indicators for project success at the project's outset. The lesson reiterated here is, in essence, that a satisfactory quantity and quality of these are not currently available.

Recommendation: Professional guidance on how to ensure the evaluability of the Bank's TC work shall be sought by OCU and provided to bankers. This could use the guiding system on OCU's internal web site as well as TC training. It is, however, highly recommendable to seek the support of external experts in this respect.

4.3 The aspect of financial efficiency could be monitored on a pilot basis

Earlier PCR assessments have included the parameter “value for money” without, however, stipulating how exactly this was rated and what role it played within the overall performance. Indeed, this aspect is not easy to rate, as most assignments consist of services that tend to be more difficult to compare (and price) than commodities. Furthermore, the limited evaluability of projects described above leads to uncertainty as to what exactly the outcome is. It is therefore difficult to define the “value” and, consequently, to link it to the input or “money”.

In this respect, the Assessment team noted that the Client in two of the sample projects chose Consultants with higher financial bids than their competitors (substantially so, in one case). Trusting the applicability of the Bank's usual evaluation methodology, this would signal that the higher price is due to a higher quality of the technical side as well. Still, it is not evident whether this has indeed led to a better outcome or “value” at the end (unsurprisingly, as it is difficult to demonstrate something so unquantifiable.) Another limiting factor here is that donor funds are often “tied”, which in itself prevents a meaningful cost–benefit analysis on the basis of a comprehensive market response.

Lesson learned: there is no systematic monitoring of the value-for-money aspect in the Bank's TC work. Typically, the outcome of the financial tender evaluation is a combination of technical and financial parameters. Acknowledging that such analysis is difficult to do, it might be useful to try to find a pragmatic indication for this aspect in a group of similar projects, especially given the declining role of bilateral (tied) donor funds.

Recommendation: As a starting point, rigorous financial monitoring of tender activities, as well as inputs and outputs in a group of similar projects, could be useful, with a view to allowing a comparison later on. The Bank's internal audit department could be the right unit to pilot ways for finding a practical “value-for-money” analysis.

4.4 The new completion report and its suitability for EvD's PCR Assessment

As noted before, the new templates introduced for project progress and completion reporting seem to have had a positive impact. OLs report that they find them easier to work with and it seems, indeed, to facilitate a more succinct narrative. However, in the absence of ratings for “Output and Impact”-related categories, such as the “Fulfilment of Objectives”, “Transition

Impact” and “Contribution to a Bank Investment”, the common ground for the teams’ self-assessments and EvD’s validation is getting very small. This does not serve the Bank’s interest, which requires the availability of basic information on the contribution of TC work to the fulfilment of its mandate. It is especially noticeable in the case of TI, as this is rated *ex-ante* by OCE anyway, for each TC project at the stage of TC Com approval.

Lesson learned: By reducing the self-ratings of OLs to the “Input and Performance” dimension, the Bank is denying itself the use of an important analytical tool on outputs and objectives. At present, there is, for example, no aggregate and reliable information available on the percentage of the Bank’s TC work (directly) linked to an investment or on its contribution to its overall transition mandate.

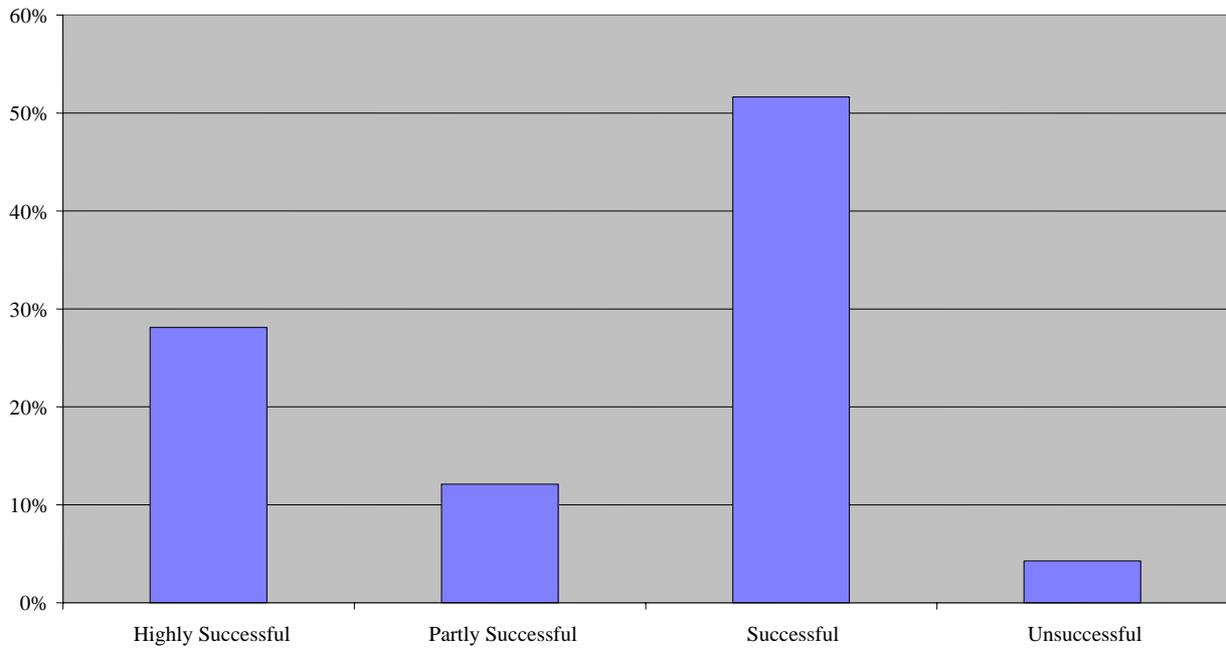
Recommendation: Reinstall the mandatory rating for the “Fulfilment of the Project’s Objectives” and introduce ratings for “Transition Impact” and “Contribution to investment”. Both would not only enhance the quality of the self-evaluation performed but (provided this information is aggregated on a higher level) would at the same time address the Bank’s urgent need for basic information on the impact of its TC work.

Features provided by Population and Selected Sample

A: Project Rating

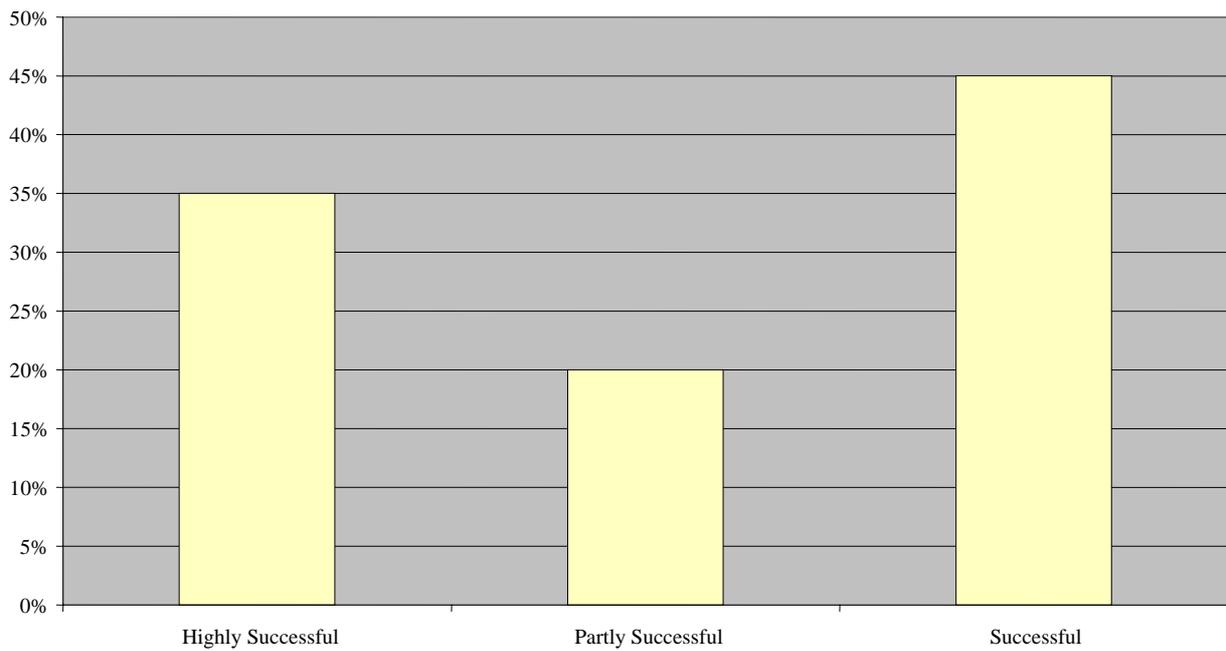
Population

Population % by Overall Rating (306 projects)



Sample

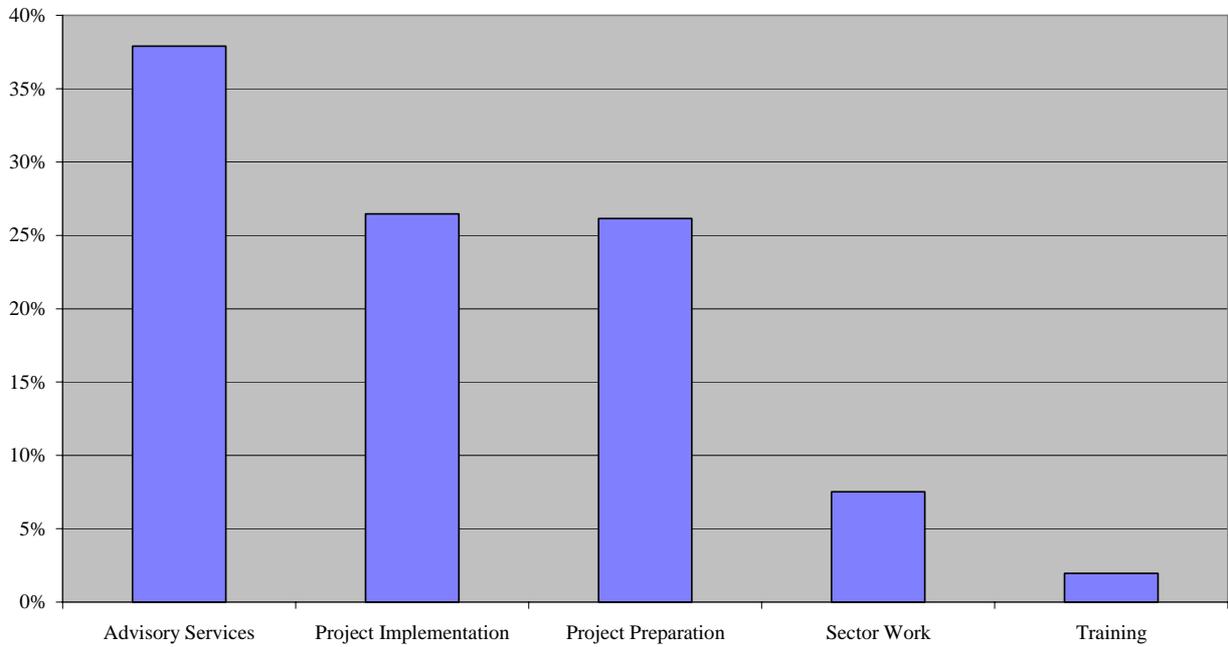
Selected Sample % by Overall Rating



B: TCO Type

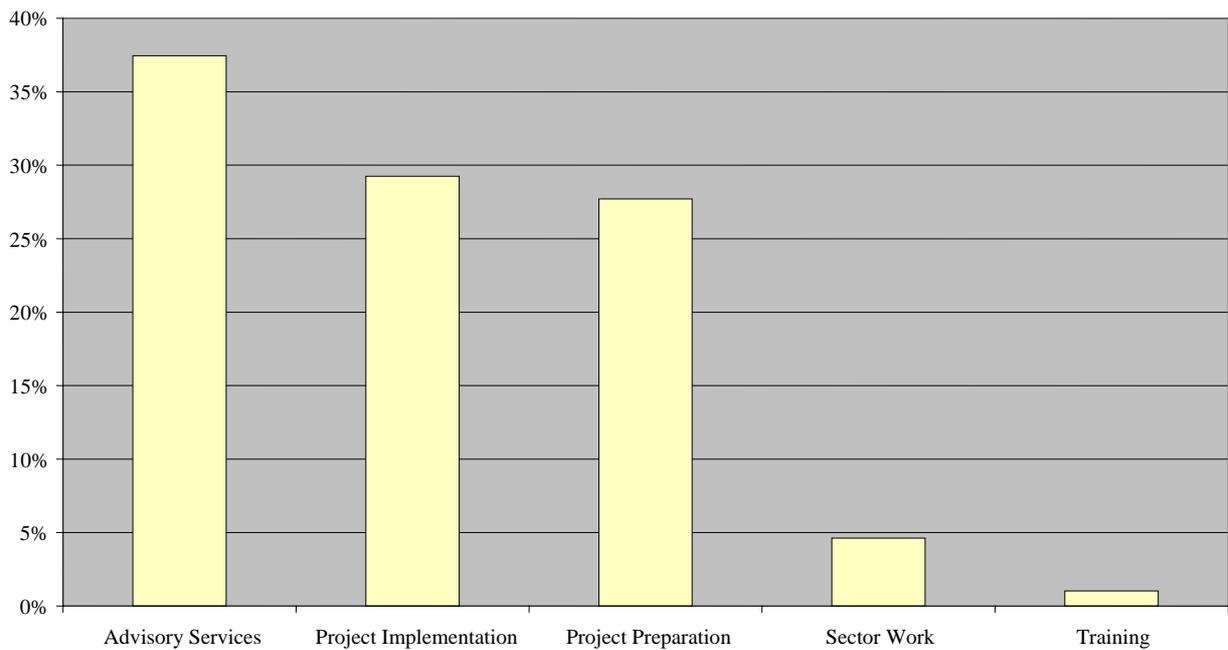
Population

Population % by TC type (306 projects)



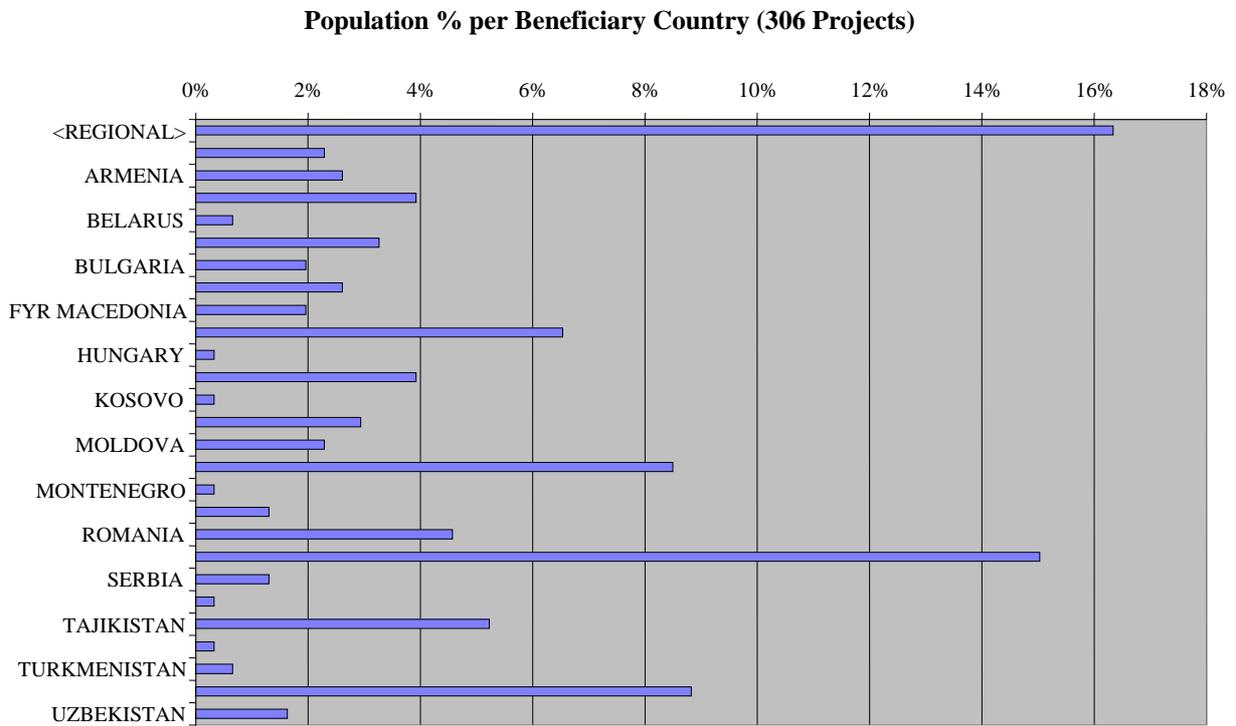
Sample

Selected Sample % by Type (20 projects)

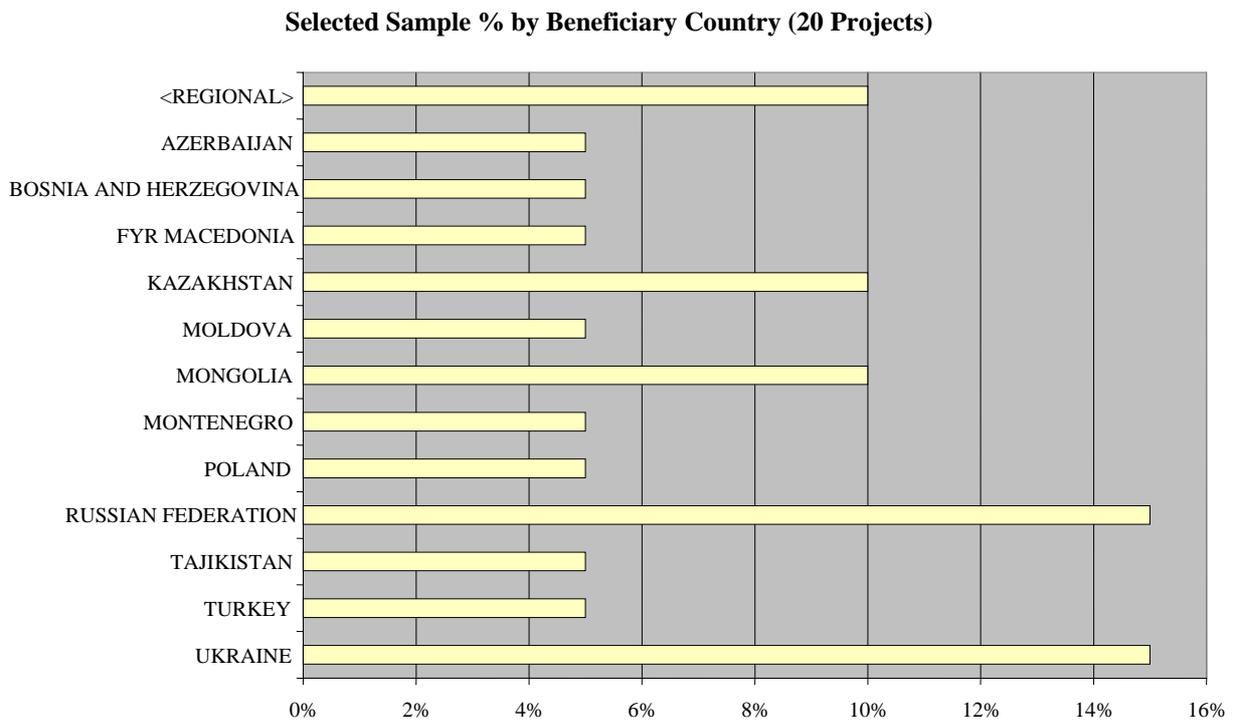


C: Country

Population

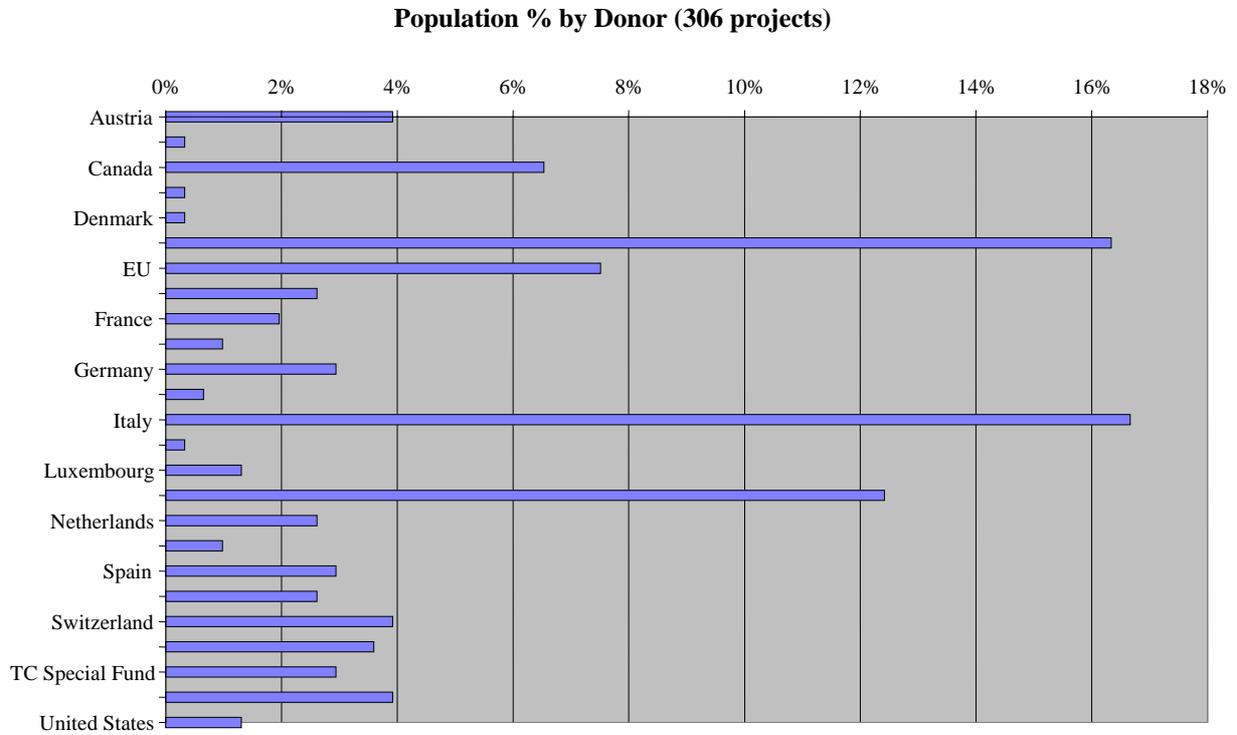


Sample

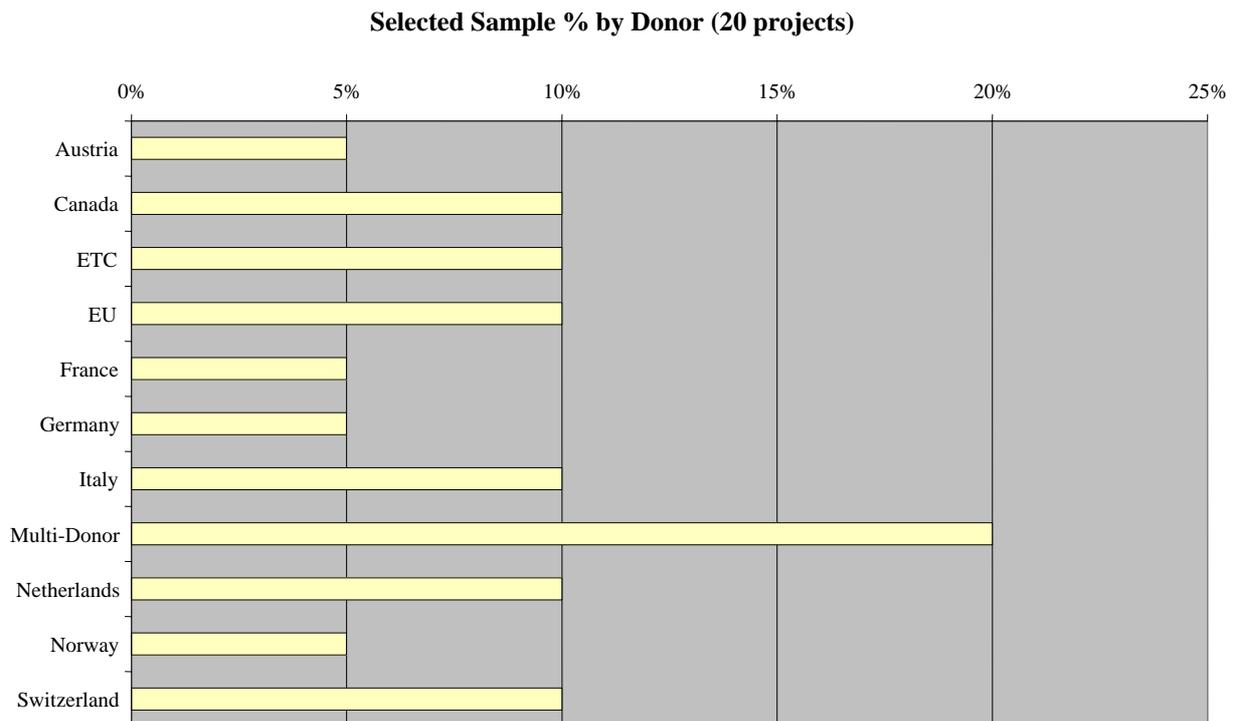


D: Donor Organisations involved

Population



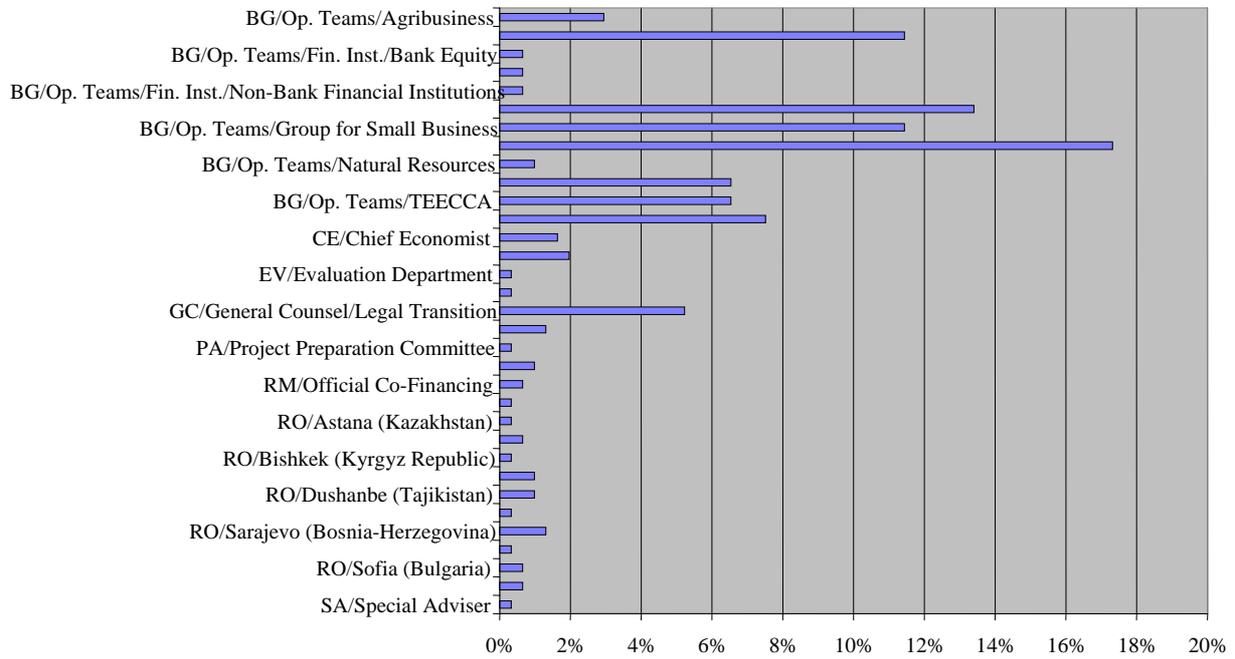
Sample



E: Business Group

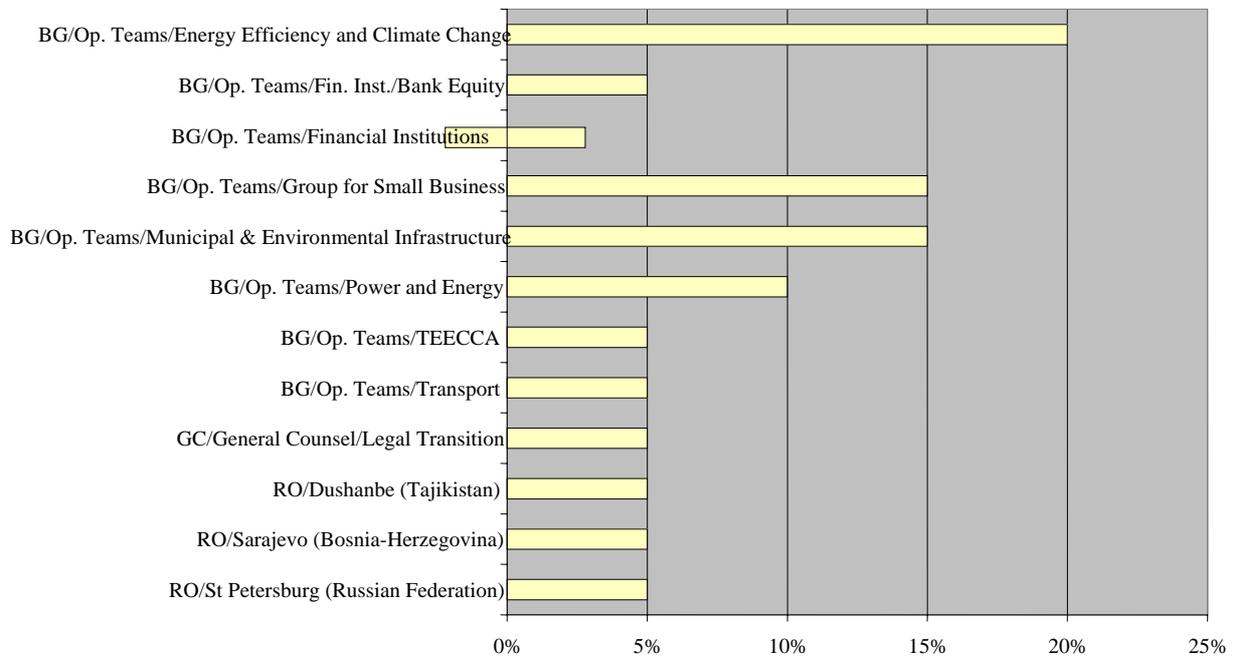
Population

Population % by Business Group (306 projects)



Sample

Selected Sample % by Business Group (20 projects)



DIMENSIONS	AREAS	RATING*					
		Highly Unsatisfactory	U	M	S	G	Excellent
INPUTS							
INPUTS – Bank Handling							
Project preparation	Relevance of ToR	Neither in line with Country Strategy/Sector Strategy nor with current visible needs in host country					Clearly in line with Country Strategy/Sector Strategy and current visible needs in host country
	Policy dialogue and investment	No explicit link to reform policy/investment, no definitions of milestones and alternative political scenarios					Clear link reform policy and investment, definition of milestones and worst case scenarios
	Aims, objectives and outputs	Objectives unclear reg. hierarchy and priority, outputs outdated/not counterchecked with current situation on site, no/incorrect indicators given					Logical relation between objectives and outputs on different levels, fulfilment of single objectives possible through correctly defined success indicators
	Involvement of client in ToR design	Not involved in ToR design at all					Fully involved in ToR design
	TC Request design	Poor or incomplete TC design neglecting experiences/lessons learnt in the past					Excellent TC design with an active attempt to build on experiences/lessons learnt in similar undertakings of the past
	Tendering/recruitment process	Hastened recruitment/selection process without proper quality criteria, insufficient time/resources provided					Thorough definition of required consultant's profile, dedication of time/resources for ensuring best possible choice
Project implementation	Contracting of consultant	Contracting of consultant without in-depth consultation on ToR and timely requirements					Contracting of consultant after thorough discussions on ToR and related timely requirements
	Project start	No kick-off meeting at the initial stage of the project held					Kick-off meeting with relevant stakeholders held, supported by clear agenda and proficient information
	Coordination/liaising	No regular/only superficial contact with client and consultant					Regular and intense contact with client and consultant allowing for proper coordination and monitoring of project progress
	Supervision/information	OL at HQ hardly informed on current project stage, achievements of consultant and clients' support					OL at HQ fully informed on current project stage, achievements of consultant and clients' support
	Crisis management	Poor handling of unforeseen events, such as political changes, force majeure, etc					Flexible and objective-oriented handling of unforeseen events in close cooperation with client and consultant

* U = Unsatisfactory, M = Marginal, S = Satisfactory, G = Good

DIMENSIONS	AREAS	RATING*					
		Highly Unsatisfactory	U	M	S	G	Excellent
Project implementation	Administration/change of OLs and internal hand-over	Client and consultant not informed about change of OL (in time), no formal hand-over meeting, no hand-over minutes existing					New OL sufficiently informed on project, client and consultant briefed/introduced in time, official hand-over meeting documented
	Reporting	Poor/incomplete/delayed reporting, missing files and insufficient information for judging project success					Excellent reporting, files complete and centrally stored, sufficient information (e.g. on success indicators) to allow objective project rating
INPUTS – Consultant’s Performance							
Knowledge and skills	Expertise	Skills proved to be not relevant/inappropriate with current requirements from project and area					Excellent skills not only in general (area and transition process), but also with regard to specific project areas/activities require
	Client handling	Undiplomatic approach, entering into unnecessary conflicts with the client					Builds excellent rapport with the client and other relevant stakeholders, even when telling “unwanted truths”
	Team abilities	Poor team player, working in a rather isolated manner without drawing on knowledge provided by local team					Excellent team player, being able to motivate local staff and to make best use of skills and knowledge provided by local team
Management	Consortium management	Conflicts within the consortium, members poorly informed on project, unclear/unbalanced separation of tasks and duties					Consortium well managed, members equally informed on project, clear separation of tasks and duties
	Staff management	Replaces staff along the way with staff with less capabilities					Maintain staff with high capabilities throughout the project
	Quality control	No active quality control system for assignment (and required outputs) in place, sluggish reaction to requirements from the Bank and/or client					Active quality control system for assignments (and required outputs) in place, active provision of relevant information to Bank and client
Reporting	Content	Reports of poor standard					Reports of excellent standard
	Timeliness	Unjustified delays of deliverables					Deliverables submitted on time
	Focus	Focus not in line with Bank requirements, performance below ToR					Focus in line with bank requirements, performance beyond ToR
INPUTS – Client’s Commitment							
Involvement in project	Initiative/confirmation of mandate	No explicit support for initiative, no mandate letter provided					Explicit and firm support for initiative, mandate letter provided
	Elaboration ToR	Not interested in cooperating for ToR elaboration, no/insufficient understanding of project’s strategic purpose					Strongly interested in cooperating for ToR elaboration, thorough understanding of project’s strategic purpose

DIMENSIONS	AREAS	RATING*					
		Highly Unsatisfactory	U	M	S	G	Excellent
preparation	Involvement in selecting consultant	Not interested in participating in consultant's selection/outcomes of the recruitment process					Strongly interested in participating in consultant's selection/outcomes of the recruitment process
Support during project implementation	Access to information	No fluent access to relevant data, no active support in collecting required information					Fluent access to relevant data, active support in collecting required information
	Expert support	No/insufficient client team provided for project implementation					Client team with relevant skills provided for project implementation
	Political support/liaising	No facilitation of meetings, contacts to other parties, relevant for the project in question					Active facilitation/introduction to other parties relevant for the project in question
Appreciation of project outcome	Promotion/marketing of project achievements	No dissemination of project results and recommendations to the public					Active dissemination of project results and recommendations to the public
	Payment of consultant	Serious delays in payment to the consultant					Timely payment to the consultant
	Ownership	Ownership perceived to stay with the Bank/consultant					Ownership fully taken over by client
OUTPUTS							
OUTPUTS – Achievement of Objectives							
Primary Objective	Secondary Objective	RATING				Excellent	
		Unsatisfactory	Marginal	Good			
Overall Bank objective to which the projects shall contribute	Specific achievements defined for this project/the consultant's assignment in particular	Achieved far less (or none) in comparison to the output/impact envisaged	Achieved only parts of the outputs/impact foreseen	Matched expectations with output/impact as foreseen	Exceeded expectations, achieved more than foreseen in ToR etc		
OUTPUTS – Transition Impact							
DIMENSIONS	AREAS	RATING					
		Unsatisfactory	U	M	S	G	Excellent
Institutional/corporate micro-level	Structure and extent of markets	Project/client/beneficiary does not contribute at all to the competitive environment in the project sector					Project/client/beneficiary contributed itself visibly to the competitive environment in the project sector
	Market institutions and policies	No contribution to institutions and policies that support markets (e.g. private ownership)					Direct contribution to institutions and policies that support markets (e.g. private ownership)
	Market-based behaviour, skills and innovation	No transfer of skills, attitudes and other behavioural patterns within the project environment (demonstration effects)					Significant transfer of skills, attitudes and other behavioural patterns within the project environment (demonstration effects)

DIMENSIONS	AREAS	RATING*					
		Highly Unsatisfactory	U	M	S	G	Excellent
Sector/market, macro-level	Structure and extent of markets	Project/client/beneficiary does not (is not expected to) realise a long term impact on the competitive environment					Project/client/beneficiary realises (is clearly expected to realise) a long term impact on the competitive environment
	Market Institutions and Policies	No contribution to institutions and policies that support markets (e.g. private ownership)					Direct contribution to institutions and policies that support markets (e.g. private ownership)
	Market-based behaviour, skills and innovation	No transfer of skills, attitudes and other behavioural patterns beyond the project sector (demonstration effects)					Significant transfer of skills, attitudes and behavioural patterns beyond the project sector (demonstration effects)
OUTPUTS – Contribution to Bank’s Investment (BI)							
Influencing a decision on Bank’s Investment	Positively/negatively (not rated as per the above)	E.g. Feasibility Study led to the result that Investment Operation is not expected to be successful	No		Yes		E.g. Enquiries led to a positive decision on the planned Investment Operation
Enabling/improving the investment’s implementation	Technically/operationally	Technical requirements not identified and insufficient design of a future operation to become effective					Commitment of counterparts and local stakeholders confirmed for gaining confidence in future cooperation.
		TC made no or negative contribution to the Bank’s existing investment					TC made significant contribution to Bank’s existing investment
Donor Visibility							
Public events and information policy	Informing relevant parties	Consultant, client, project sponsor and relevant parties are not informed about donor’s name					All relevant parties are informed about donor’s name
	Invitations	Donor not invited for signing ceremony, and press not informed					Donor attended signing ceremony, and event published in local media
	Media/Project Web site	Donor never mentioned in press releases					Donor mentioned in all press releases
	Final reports	Donor not mentioned in consultant’s final report or related presentations					Donor mentioned in consultant’s final report and related presentations
OVERALL RATING			UNSUCCESSFUL	PARTLY SUCCESSFUL	SUCCESSFUL	HIGHLY SUCCESSFUL	