



Session 13

Monitoring and Evaluation, by Stefan Enzelberger

As already mentioned in previous sessions, monitoring and evaluation are integral parts of the project cycle for most IFIs.

Both the World Bank and the EIB conduct regular monitoring missions in order to supervise project implementation and to discuss and rectify any outstanding issues and problems. A monitoring mission may last only a few days, or may last some weeks, depending on the logistics and complexity of the project.

Clients should see monitoring missions as an opportunity to discuss project progress with bank staff face to face and should never feel threatened by the prospect of a forthcoming supervision mission.

WORLD BANK

Each financial year, the World Bank issues the report "Status of Projects in Execution (SOPE)" which lists all active projects and their progress compared to the progress envisaged at appraisal. This includes inter alia, a graph showing the original disbursement forecast vis-à-vis the actual disbursement. The SOPE is available for public consultation.

Once loan disbursement is completed for a World Bank project, bank staff will prepare the Implementation Completion Report rating the project's outcome. The report reviews the project implementation and gives a verdict on the following topics:

- overall outcome of the project;
- sustainability;
- institutional development impact;
- bank performance; and
- borrower performance

Each topic gets a rating which is either highly satisfactory, unsatisfactory, highly likely, likely, unlikely, highly unlikely, highly unsatisfactory, high, substantial, modest, negligible. The Implementation Completion Report is made available to the public.

Following the completion of a project, the World Bank's Operations Evaluation Department conducts an audit to measure its outcome against the original objectives. The audit entails a review of the project completion report and preparation of a separate report. Both reports are then submitted to the Board Directors and the borrower. They are not released to the public.



For one in four completed projects, the Operations and Evaluation Department will prepare a Project Performance Assessment Report. These reports rate project outcomes, sustainability of results, and the institutional development impact. The report rates the achievements shown in Table 1.

Table 1: Achievements Rated in the World Bank's Project Performance Assessment Report

Achievement	Possible Ratings
Relevance of objectives: The extent to which the project's objectives are consistent with the country's development priorities and with the bank's strategies	high, substantial, modest, negligible
Efficacy: The extent to which the project's objectives were achieved, or expected to be achieved	high, substantial, modest, negligible
Efficiency: The extent to which the project achieved, or is expected to achieve, a return higher than the opportunity cost of capital and benefits at least cost compared to alternatives	high, substantial, modest, negligible
Sustainability: The resilience to risk over time	highly likely, likely, unlikely, highly unlikely
Institutional Development Impact: the extent to which a project improves the ability of a country to make more efficient, equitable and sustainable use of its resources	high, substantial, modest, negligible
Outcome: The extent to which the project's major relevant objectives were achieved, or are expected to be achieved	highly satisfactory, satisfactory, moderately satisfactory, moderately
Bank Performance: The extent to which services provided by the bank ensured quality and supported implementation through appropriate supervision	highly satisfactory, satisfactory, unsatisfactory, highly unsatisfactory
Borrower Performance: The extent to which the borrower assumed ownership and responsibility	highly satisfactory, satisfactory, unsatisfactory, highly unsatisfactory

Impact Evaluation Reports assess the economic worth of projects and the long-term effects on people and the environment. These "second looks" at projects are performed five to eight years after the close of loan disbursements. They are specially important to judge the long term effectiveness of policy reform and structural changes. The reports are available to the public.

EIB

The EIB staff member visiting an ongoing projects prepares a short mission report describing the project's progress and any arising issues. They are not issued to the public.

In the EIB, ex-post evaluation is carried out by the *Operation Evaluation Department (OED)* which also coordinates the self-evaluation process in the bank. The OED commissions consultants to prepare reports on completed projects or on specific topics. These reports are available to the public.



One such report is the report *"EIB financing with own resources through individual loans under Mediterranean mandates"* which covers completed FEMIP projects from 1993-2003. "Own resources" refers to the fact that the projects were financed by EIB loans, and not, for example, by EU grants.

MEDITERRANEAN TRANSPORT INFRASTRUCTURE NETWORK PROJECT (MTIN)

MONITORING AND EVALUATION

Stefan Enzelberger
Istanbul, Turkey - May/June 2006



MEDA Transport Infrastructure Network Project



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WHY MONITORING

- Client:
 - to ensure swift project implementation
 - to get assistance from IFI
 - to provide feedback for next project and strategy
- IFI:
 - to ensure that loan proceeds are used properly
 - to assist client with expertise
 - to provide feedback for next project and strategy



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- frequent monitoring missions during project implementation
- regular progress reports from Project Implementation Unit
- contacts with local World Bank office
- annual *Status of Projects in Execution (SOPE)* report
 - lists all active projects and their progress
 - available for public consultation



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- Implementation Completion Report
 - prepared once loan disbursement is completed
 - Topics:
 - overall outcome of the project
 - sustainability
 - institutional development impact
 - bank performance
 - borrower performance
 - Report includes rating for each topic



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- Implementation Completion Report is prepared by operational World Bank staff
- Operations Evaluation Department follows up with audit of project and review of Implementation Completion Report
- Project Performance Assessment Report
 - Approximately one in four projects
 - prepared some time after project is completed
 - prepared by Operations Evaluation Department



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- Project Performance Assessment Report rate:
 - Relevance of objectives
 - were project's objectives consistent with country's priorities and the bank's strategies?
 - Efficacy
 - did project achieve its objectives?
 - Efficiency
 - did project achieve benefits?



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- Project Performance Assessment Report rate:
 - Sustainability
 - the resilience to future risks
 - Institutional Development Impact
 - did project improve the ability of country to make more efficient use of its resources?
 - Outcome
 - were major objectives achieved?



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- Project Performance Assessment Report rate:
 - Bank Performance
 - did services provided by the bank ensured quality and supported implementation?
 - Borrower Performance
 - did borrower assume ownership and responsibility over project?



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- Impact Evaluation Reports
 - prepared five to eight years after the completion of projects
 - assess the economic worth of projects and the long-term effects on people and the environment
 - important to judge the long term effectiveness of policy reform and structural changes
 - reports are available to the public



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MONITORING AT EIB 1/2

- regular progress reports from Project Implementation Unit
- regular missions to supervise projects
- reports after missions to keep management up-to date
- reports are not public



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MONITORING AT EIB 2/2

- Operation Evaluation Department (OED) commissions consultants to prepare reports on completed projects or on specific topics
- reports are available to the public
- *"EIB Financing With Own Resources Through Individual Loans Under Mediterranean Mandates"*
 - covers completed FEMIP projects from 1993-2003



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