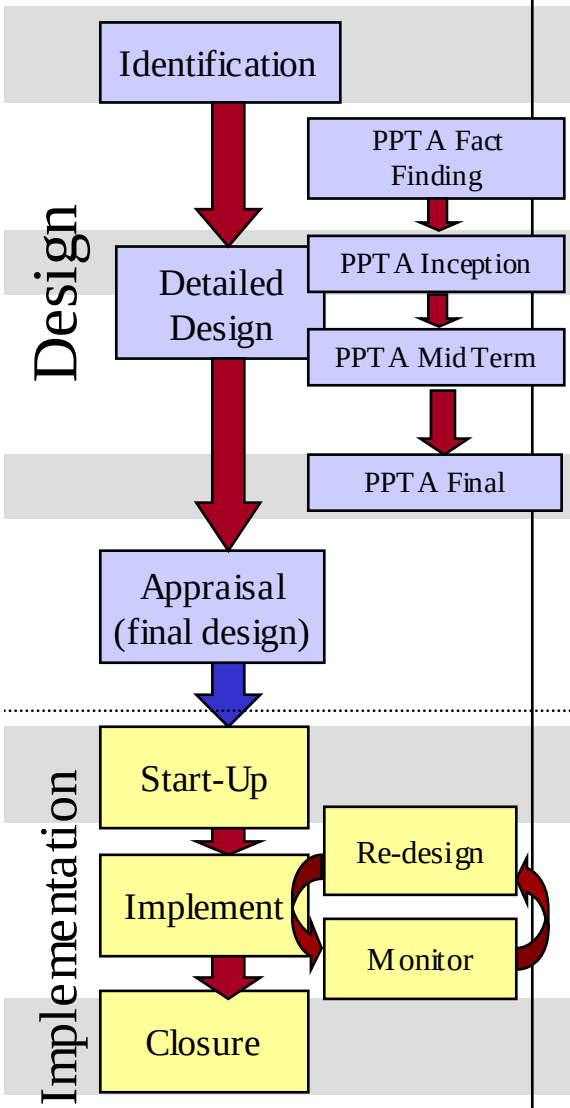
Project Cycle



Key Activities & Documents

•Project Identification •Establish Project Team	Project Concept Paper
•Project Fact-Finding Mission •Interdepartmental Review •PPTA Approval	PPTA Paper
•Inception Mission	
•In-depth project analysis •Mid-term workshop •Detailed project costing, design, evaluation	Draft Project Design Report
•Final Tripartite Workshop	Project Design Report Draft RRP
•Management Review Meeting •Appraisal Mission •Interdepartmental Review •Loan Negotiations •Board Consideration	RRP PAM
•Hand-over to EA	PAM
•Quarterly Implementation Progress Reporting	PPR
•Completion of project and summary	PCR PPAR

Checklists

Project Concept Paper

- ❑ Has each Project Team member contributed to Project Concept Paper?
- ❑ Do DMC and Executing Agency agree with the project impact and outcome?

PPTA Paper

- ❑ Do the Terms of Reference clearly expect Consultants to produce a detailed Design and Monitoring Framework?
- ❑ Do the Terms of Reference expect Consultants to produce Problem Trees, and analysis of alternatives?
- ❑ Has each Project Team member contributed to the PPTA paper?
- ❑ Have lessons learned in previous projects been documented for consultants?

PPTA Final Report (Project Design Reports)

- ❑ Have beneficiaries had input into the design?
- ❑ Have the consultants used analysis tools (problem tree, objectives tree, work breakdown structure) to underpin their design?
- ❑ Have indicators been selected with regard to availability of indicators from the Executing Agency?
- ❑ Has the consultant carried out an alternatives analysis?
- ❑ Are the indicators defined with baseline and target values for the project impacts, outcome and outputs?

RRP

- ❑ Has the EA signed off on the Design Report and the PAM?
- ❑ Has the EA confirmed its MIS can provide the required indicator data?

PAM & PPR

- ❑ Have all design changes since inception mission been updated into PAM?
- ❑ Are all reporting requirements incorporated into PAM?

This is a quick guide to the ADB Project Cycle and key documents in the cycle. It is for continuing reference by attendees to the Awareness Session of the PPMS Training Course.

Criteria for Success

R ***Relevance*- Consistency of a project's impacts, outcomes** and outputs with the government's development strategy, ADB lending strategy and ADB's strategic objectives
Assessed for time of approval and also for time at which project is completed

E ***Efficacy*-Achievement of outcome** as specified in the policy impacts, physical, financial and institutional objectives adopted at project approval, or as formally modified during implementation

E ***Efficiency*-Compares achievement of project outcome with use of inputs.** Based on implementation performance with consideration of the EIRR or cost-effectiveness.

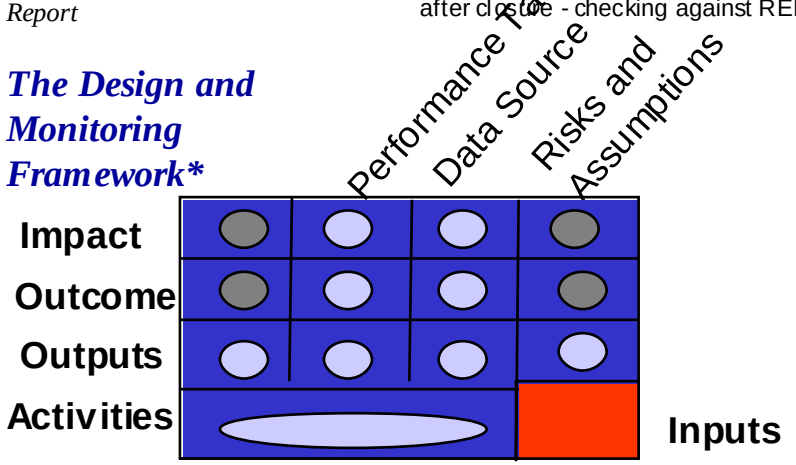
S ***Sustainability*- Likelihood that human institutional and financial resources can support achievement of results** and benefits over economic life of the project

I ***Institutional Development*** and other impacts-The extent to which the project has **contributed improvements in the enabling environment of the country** such that its human, financial and natural resources may be more effectively used.

Key Documents- Name and Purpose

Concept Paper	Purpose and rationale of project - seeks OK to proceed with PPTA
PPTA Paper *Project Preparatory Technical Assistance Paper*	Terms of reference for consultants preparing the design
PPTA Final Report	Proposed project design - seeks OK to proceed with loan processing
RRP *Report and Recommendation of the President*	Project design - seeks OK to proceed to loan negotiations and Board approval
PAM *Project Administration Memorandum*	Basis for project management - implementation, monitoring and evaluation during implementation
PPR *Project Performance Report*	Implementation and development progress - flags need for design change
PCR *Project Completion Report*	Results achieved, using the REESI -and lessons learned
PPAR *Project Performance Audit Report*	Prepared by OED - 40% of projects, 2 or 3 years after closure - checking against REESI

*The Design and Monitoring Framework**



* Revised format, not yet approved as at January 2005

Refer to BPHR-OS Training

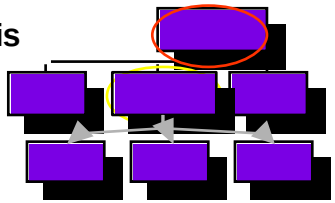
This is a quick guide to the Design Steps, Design and Monitoring Framework and Risks and Assumptions. It is for continuing reference by attendees to the Design Linkages Session of the PPMS Training Course.

Design Steps

1 **State the Problem**
Describe in terms of observations or symptoms.
Do **not** describe in terms of a solution "Jumping to solution"

2 **Do Problem Tree Analysis**
"Why-why-why"

?



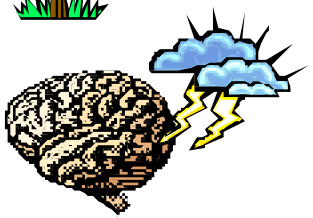
3 **Change Problem to *Impact, Outcome***
Restate the problem in positive terms.

IMPACT

OUTCOME

4 **Develop Solution Tree**
Outputs* and *Activities

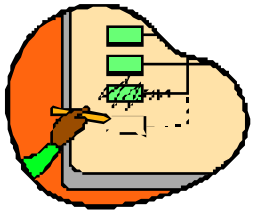
5 **Generate Alternatives**



6 **Screen Alternatives through REESI**

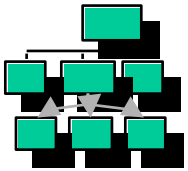
R*elevance*
E*fficacy (Effectiveness)*
E*fficiency*
S*ustainability*
I*nstitutional Development*

Weigh-up the risks of each alternative.



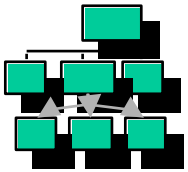
7 **Select preferred alternative.**

8 **Develop Work Breakdown Structure**



9 **Identify Inputs required**

10 **Translate WBS & Solution Tree to Design Framework**

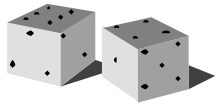


OUTPUTS

ACTIVITIES

INPUTS

11 **Identify Risks and Assumptions**



12 **Identify Risk Responses**

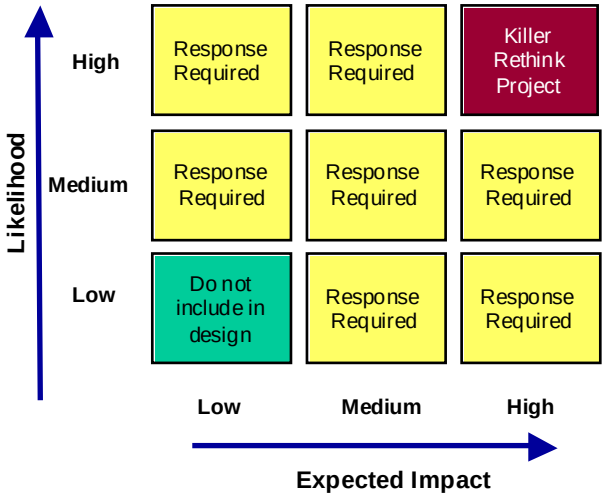
Refer to BPHR-OS Training

Risks & Assumptions

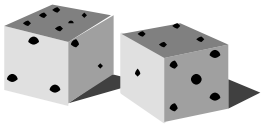
Risks
What is most likely to go wrong?

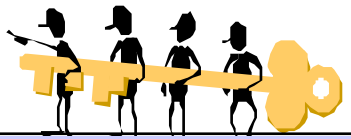
Assumptions
What *external conditions exist* or *behavioural changes* by target beneficiaries are expected ?
Essential to the project's success but beyond its control

Risk Matrix
Rate Risks by:
Likelihood- how likely is this to occur?
Expected impact- if it did occur, how serious would the consequences be for the achievement of outputs – outcomes- impacts?



Risk Response Strategies
Avoidance - eliminate the cause of the threat
Mitigation - preventive measures- reduce likelihood or impact
Acceptance - accept consequences and develop contingency plan





**The Design and Monitoring Framework*

Design Summary	Performance Targets	Data Source	Assumptions & Risks
IMPACT			
OUTCOME			
OUTPUTS			
ACTIVITIES			INPUTS

*This format still subject to approval – January 2005

Checklist

Design Summary

- ❑ *Impact* - Is the Impact stated as the long term vision and links to the CSP?
- ❑ *Outcome* - Is this stated as the improved situation for the target beneficiaries and not as a summary of outputs?
- ❑ Are there 2 objectives or less?
- ❑ *Outputs*-Are these stated as a completed deliverable?
- ❑ *Activities*-Does this list the key task, steps or stages in the project?
- ❑ *Inputs*-Have the various resource categories been identified?

- ❑ Is each statement unique in the Design Framework (I.e. statements not repeated at different levels)?

Risks and Assumptions

- ❑ Do the Risks and Assumptions relate to the Project Design Summary Statement at the same level?

Refer to BPHR-OS Training

This is a quick guide to the Project Performance Reporting (PPRs). It is for continuing reference by attendees to the Reporting Sessions of the PPMS Training Course.

PAM – Project Administration Memorandum

- contains all project information to allow the Executing Agency (EA) and ADB to monitor project implementation and evaluate project impacts
- PAM's Design Framework is the basis for building Project Performance Report (PPR) format.

Design Summary	Performance Targets	Data Source	Assumptions & Risks
IMPACT			
OUTCOME			
OUTPUTS			
ACTIVITIES			INPUTS

*This format still subject to approval – January 2005

The Design and Monitoring Framework

Implementation

Start-Up

Implement

Re-design

Monitor

Closure

PPR – Project Performance Report

- an early warning system for ADB management implementation to take corrective actions
- identifies objectives, key indicators and targets to be monitored every quarter
- serves as historical basis for evaluating project performance

Project Completion Report (PCR)

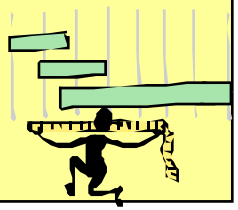
- evaluates the rationale for the project, adequacy of its formulation, and clarity and comprehensiveness of the TOR
- evaluates the achievement of the project's outcome, outputs
- evaluates the quality of outputs
- describes project implementation and significant changes in project design
- identifies majors lesson learned
- rates the performance of the project

Refer to BPHR-OS Training

Design & Monitoring Framework	PPR
Impact	Development Objective (DO)
Outcome	Immediate Development Objective
Impact and Outcome Assumptions (listed separately)	Impact and Outcome Assumptions (combined)
Assumptions and Risks (listed in same column)	Assumptions and Risks (separated)
Activity Level	Not required (can be combined with Output Level)
Data Source	Not shown in PPR (required in PCR)

PPR Rating Scales

HS *Highly Satisfactory* (3 points)
Project expected to e*xceed most* of its major development objectives
S *Satisfactory* (2 points)
Achieve most of its major development objectives
PS *Partly Satisfactory* (1 point)
Achieve some of its major development objectives
U *Unsatisfactory* (0 Points)
Unlikely to achieve its major development



PPR Checklist

From PAM to PPR

- ❑ Any design changes or variations since inception mission updated into the PAM?
- ❑ Has the PPR been restated if RRP or PAM was deficient in its Design Framework?
- ❑ Is baseline data for performance indicators available or will it be available before next PPR is due?

First PPR

- ❑ Is the PPR content on design (outcome, outputs, assumptions, risk) same as contain in PAM or RRP?
- ❑ Does the first PPR contain monitorable indicators?
- ❑ Do monitorable indicators have target values quoted?

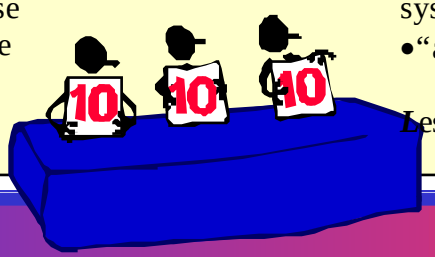
Subsequent PPRs

- ❑ Is the rating on immediate development objectives (outcome) consistent with commentary on description of progress, status of indicators, assumptions and risks?
- ❑ Are problems listed with outcome (immediate development objective) consistent with the ratings assigned (HS,S, PS, U)?
- ❑ Are monitorable indicators being reported upon for all outputs?
- ❑ Do the results indicated by monitorable indicators support the ratings assigned to the immediate development objectives?

PCR's Assessment and Recommendations are based on following criteria:

REESI + OL

- ***R***elevance
- ***E***fficacy (effectiveness) achieving Purpose
- ***E***fficiency achieving Outputs and Purpose
- ***S***ustainability (Preliminary Assessment)
- ***I***nstitutional Development



Overall Assessment

- ". . . whether the project was implemented as conceived . . .
- ". . . Analyze the design and monitoring framework
- ". . . and the project performance monitoring and evaluation system,
- "and provide an overall project performance rating. . . . "

Lessons Learned and Recommendations

Design Indicators Module

This is a quick guide to Designing Project Monitoring Indicators. It is for continuing reference by attendees to the Design- Indicators Session of the PPMS Training Course.

The "SMART Way" for Good Performance

A good performance indicator should be:

Specific - precise and unambiguous
Measurable – quantitative and/or qualitative
Achievable - realistic in what is to be achieved
Relevant – appropriate to subject at hand
Time bound – clearly stated target date

A ***Target*** is an *explicit statement* of *desired Results* for an Indicator at a specified *point in time*

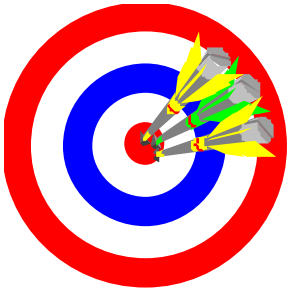
Target Statement
Baseline of xxxxxxxxx at (date)
Targets of xxxxxxxxxx at (date)

Targets should be expressed in terms of ***Quantity, Quality and Time***

*Indicators in Design and Monitoring Framework**

Design Summary	Performance Targets	Data Source	Assumptions & Risks
IMPACT			
OUTCOME			
OUTPUTS			
ACTIVITIES			INPUTS

* This format awaiting approval –January 2005



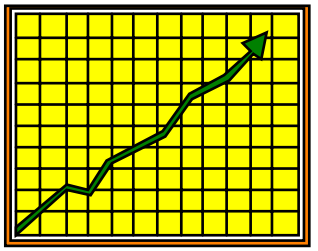
Using Pre-Designed Indicators:

Pros
Can be aggregated across similar projects/programs/policies
Reduces costs of building multiple unique measurement systems
Creates greater harmonization of donor requirements

Cons
May not address country-specific impacts
Often viewed as imposed - coming from the Top down
Does not promote stakeholder ownership
Multiple competing indicators

When Selecting Project, Program, or Policy Indicators…

Consider several for any one outcome
Make sure the interests of multiple stakeholders are considered
Know that over time, it is acceptable (and expected) to add new ones and drop old ones

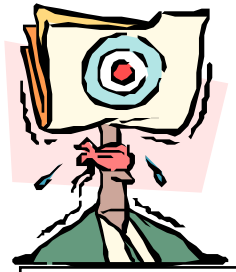


Refer to BPHR-OS Training

Design Indicators Module

Some Sources of Indicators

- DMC current indicators and statistical data
- Similar projects
- consultant proposals based on similar projects
- Sector specialists within ADB
- Country Assistance plans of ADB
- Other Lending Agencies (World Bank, UNDP etc)



Typical Problems with Indicators and Targets

- indicators selected are not appropriate
- no data available to construct them
- lagging- too late for any action
- focus on less important project elements
- data available but slow and unreliable
- no indicators for effects or impacts
- lending agencies operate outside the Govt information system
- no acceptance of accountability

Checklist

- ❑ Does every statement in the Design Summary Column of your Design and Monitoring Framework have AT LEAST ONE measurable indicator?
- ❑ Does every indicator have a target that is measurable in terms of **Quality, Quantity or Time**?
- ❑ Is each indicator unique? (ie not repeated at higher or lower levels)
- ❑ Is every indicator described well enough so that subsequent monitoring could be carried out with no further information?
- ❑ Does every indicator have at least one source of data, or means for collecting it?
- ❑ Do monitoring mechanisms already exist, or have they been planned for in the budget?
- ❑ Are the sources/ means for collecting data within the projects control?

Why Use Proxy Indicators?

Use indirect measures (proxies) when data for direct indicators are not available or feasible to collect at regular intervals

*Number of **new tin roofs (or televisions)** as a proxy measure of **increased household income***

This is a quick guide to Quality Assurance for Projects – Loans and Technical Assistance. It is for continuing reference by attendees to the PPMS Training Course and Director information.

Criteria for Success

***Relevance*- Consistency of a project's impacts, outcomes** and outputs with the government's development strategy, ADB lending strategy and ADB's strategic objectives
Assessed for time of approval and also for time at which project is completed

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***Efficiency*-Compares achievement of project outcome with use of inputs.** Based on implementation performance with consideration of the EIRR or cost-effectiveness.

***Sustainability*- Likelihood that human institutional and financial resources can support achievement of results** and benefits over economic life of the project

Institutional Development and other impacts-The extent to which the project has **contributed improvements in the enabling environment of the country** such that its human, financial and natural resources may be more effectively used.

Quality Assurance checklist for Directors

Before signing off the Design and Monitoring Framework

DESIGN LOGIC and MONITORABILITY

Does the activity-output-outcome-impact reflect a plausible cause and effect / results chain?

Does the Design Framework contain specific indicators and targets that are capable of being used for monitoring? Does the project administration personnel agree?

Does the Design Framework contain realistic assumptions and risks – are there any 'killer' assumptions or risks mentioned?

ROBUST DESIGN APPROACH

Has the Mission Leader:

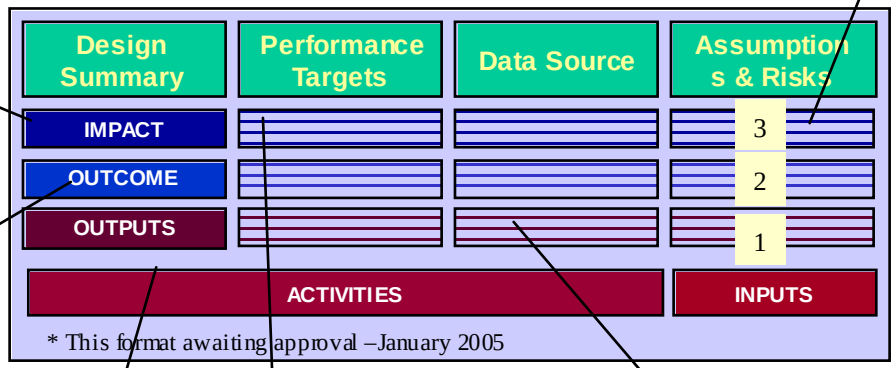
- *Used checklists to ensure QA is applied at each stage of the project design?*
- *Applied tools of problem, objectives and alternatives analysis to design the project?*
- *Engaged beneficiaries, EA and other stakeholders in the problem definition, consideration of alternatives and final design?*
- *Explicitly considered lessons learned and country implementation performance in finalizing the design?*

Refer to BPHR-OS Training

This is a quick guide to Quality Assurance for Projects – Loans and Technical Assistance. It is for continuing reference by attendees to the PPMS Training Course and Director information.

Does the outcome contribute to stated impact?
Does the impact relate to a sector outcome in the CSP?

Why is this project being done?
Who will benefit from using the outputs?
What change should occur (such as behaviour of target group?)



* This format awaiting approval –January 2005

Are there any 'killer' assumptions – and what is the likelihood of the assumptions not holding good?

Do the risks and assumptions relate to the right level – for example –
1 Activities to Outputs
2 Outputs to Outcome
3 Outcome to Impacts

Are risks excluded that can be managed by the project manager or accommodated by the project design?

What will be produced during the project ?
Policies, Regulations, Plans, Procedures, Standards, Infrastructure, Skills, Systems, Agency Capacity, Organisational design, Networks,

Are all these necessary to be able to achieve the 'why' ?

Are the performance targets shown:

Specific
Measurable
Achievable
Relevant
Timely

Do they have baseline, target values applicable dates?

Are the performance indicators available from the EA or the Government's own information systems?

If not, what is being done to ensure the DMC has the skills and systems to track performance both during and after project completion?

Refer to BPHR-OS Training

Channel of Effect	Effects on the Poor			Effects on Other Stakeholders	Mitigation/ Enhancement Activities
	Direct Short Run	Indirect Short Run	Indirect Medium Run		
Access to Labor Markets & Wages	This analysis contains implicit assumptions, which should be incorporated in the program framework				Activities, which should be included in the program framework
Access to Markets and Prices					
Access to Assets					
Access to Public Services					
Access to Transfers					
NET IMPACT					

This is a quick guide to Design and Monitoring Frameworks for Policy and Programs . It is for continuing reference by attendees to the PPMS Training Course and Director information.

The POVERTY IMPACT ASSESSMENT describes how the proposed project design will affect the poor – and in doing so the mitigation and enhancement of effects should form part of the project activities.
The analysis of the effects makes 'assumptions' such as the likely response to availability of services, new policies, changed prices etc. These need to be build into the DESIGN and MONITORING FRAMEWORK column that provides for assumptions and risks.

Design Summary	Performance Targets/	Data Source	Assumptions and Risks
Impact: the expected medium–run impacts of this and other programs			
Outcome: the reason why this program is being done–i.e. the expected end of program change that can be assessed by the PCR			
Outputs: the specific deliverables of this program (should be capable of measurement or assessment)			
Activities: the main tasks required to produce the outputs			Inputs

Refer to BPHR-OS Training

This is a quick guide to Quality Assurance for Projects – Loans and Technical Assistance. It is for continuing reference by attendees to the PPMS Training Course and Director information.

Policy Area and Activities	Tranche 1	Tranche 2	Tranche 3
Policy Area 1 - usually equates with 'Output' in the Design and Monitoring Framework			
Policy Action 1.1 Policy Action 1.2			
Policy Area 2 - usually equate[illegible]th 'Output' in the Design and Monitoring Framework			
Policy Acti[illegible] Policy[illegible]			
[illegible]			
[illegible]			

The POLICY MATRIX describes the policy areas [typically] outputs that will be achieved through initiating a series of actions.

These various policy outputs can be entered into the DESIGN and MONITORING FRAMEWORK but that still leaves the Outcome to be defined [why are the outputs necessary – what are the benefits and who benefits]
Performance Targets also have to be inserted – other than due dates.

Design and Monitoring Framework — Reference Version

Design Summary	Performance Targets	Data Source	Assumptions/ Risks
IMPACT			
OUTCOME			
OUTPUTS			
ACTIVITIES			

Refer to BPHR-OS Training