

Swedish Consultancy Trust Funds with the African Development Bank

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Infrastructure and
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EXECUTIVE SUMMARY

Background. Swedish aid organizations have since the late 1980s placed consultancy trust funds with various multilateral financial institutions, among them the African Development Bank. The main purpose of such funds is to encourage these institutions to contract Swedish consultants and consulting firms for assignments related to their operations, primarily for project work.

The African Development Bank has received Swedish support for consultancy studies since the Bank's inception in 1963. In August 1989, a two-year Trust Fund Agreement was signed by BITS and AfDB, whereby BITS made available MSEK 10 to be used by AfDB for hiring exclusively Swedish consultants. Through an exchange of letters in 1991 the amount was increased by MSEK 2. In April 1993, a second Trust Fund Agreement was signed for a total amount of MSEK 15. The total allocation thus comes to 27 MSEK.

The evaluation. The reason for this evaluation, stated in its terms-of-reference, is to determine whether the experience gained from the consultancy cooperation with the AfDB calls for "new modalities in order to improve the efficiency and effectiveness of the Swedish Trust Fund". The need to evaluate was also prompted by critique directed against the Bank for not managing the trust fund efficiently and allegedly not adhering to the stipulations of the agreement.

The analysis and findings of this evaluation are organized in a logical framework sequence with the following contents:

Implementation:

- Allocation of funds; compliance with procedures for approvals and reporting
- Procurement of consultants
- Disbursements and accounting procedures; monitoring of funds
- General efficiency of AfDB's management of the trust funds

Output

- Relevance and quality of reports delivered

Effects on beneficiary of consultancy reports:

- Have the reports come to good use?
- What, if any, has been their respective effects and impact on
 - Recipient countries
 - AfDB's administration

Effects w r t the objective of promoting Swedish consultancies

Effects w r t the objective of promoting Swedish export interests

Due to serious deficiencies of the files both at the AfDB and at Sida, and also because of the re-organization and the dramatic change of personnel in the

Bank, a large part of the documentation regarding the Swedish Trust Funds was not accessible to the mission. This meant that the mission for its information gathering was almost entirely limited to the information which could be obtained from interviewing the officers in the various operational departments responsible for the projects associated with the consultancy studies financed by the Swedish trust fund. Of the over 30 program officers interviewed only a handful had however been in his/her post more than a few months.

General findings. Although we have found a substantial number of things which need to be criticized not only at the AfDB, but in a few cases also at the donor agency BITS, we *cannot* confirm the fears expressed of generally bad management and poor results of the trust fund activities. On the contrary, AfDB's handling and management - the *implementation* level - has essentially been on a professionally responsible level and often fairly efficient. A large majority of the allocations have been to *uses* which conform exactly with the requirements of the agreement. Measured in value terms, an overwhelming share of the funds, 88 and 72 % of the two respective funds, have been used so as to satisfy the fundamental objective of *procuring* Swedish consultants. Measured in the *number* of contracts procured, however, there is evidence of wide-spread indiscipline in following all the stipulations of the agreements. Perhaps as many as half of all the contracts have been in violation of the agreements w r t allowed nationality of the consultant. The blame for this - in a direct sence - no doubt belongs to AfDB, but in a more general sence it must be shared with the donor BITS, who in various ways has failed to efficiently enforce its requirements.

A serious mistake by AfDB's accounting is the failure to record the MSEK 2 additional allocation mentioned above, resulting in the accounts showing the Swedish consultancy fund as depleted while in actual fact there were still funds left to use for new allocations.

An obstacle for recruiting Swedish consultants has been the lack of knowledge about the Swedish resource base. Almost all user departments stated this as a major reason for the slow utilization of the Swedish funds, as well as for their sometimes inability to recruit a Swedish consultant. Initiatives taken by BITS in order to make the Swedish consultancy resource base known to the Bank, have apparently not been sufficient. Procurement procedures were generally carried out professionally on part of AfDB, but cooperation between the user departments and *COOP*, the Bank's Cooperative department responsible for bilateral trust funds, was not always smooth. In general, we found the shortcomings in AfDB's implementation work to be mainly administrative, and not of more serious nature than one could expect to find in any aid agency, including Swedish ones.

When it comes to both the *output* level (the quality and relevance of the reports produced by the consultants) and the *effects* level (the extent to which the reports have actually been put to intended use by the recipients) these are both quite positive. The vast majority of studies financed under the Swedish consultancy funds have been of good or acceptable *quality*, and *relevant* to the intended use. Relevance has often been ensured by allocating the funds for studies required as part of the regular project cycle or by the Bank's administrative routines.

The studies have also to an overwhelming degree, been put to their intended use, and have thus achieved intended *effects*. The fact that the majority of the Swedish funds have been allocated to consultancy reports which are needed as integral parts of the regular project and program cycles, or reports which serve the direct needs of the Bank's aid administration, has ensured an active participation and control by the AfDB staff in the studies, and thereby increased chances of the reports being put to intended use so as to produce intended *effect*.

When it comes to the objectives of the Swedish trust funds to **promote future chances of Swedish consultancy firms** as well as **Swedish exports** in general, the outcome seems however to be fairly meagre, at least as regards observable effects in the short run. Given the tied nature of almost all funds available to the AfDB for financing consultancy studies it is not very likely that the existence of the Swedish consultancy trust funds would in any direct sense promote the chances of Swedish consultants to receive follow-up assignments from the African Development Bank financed outside of the Swedish funds. This however does not mean that the exposure to African affairs by Swedish consultants through assignments financed under the Swedish funds could not enhance their future chances in Africa in a broader and more long-run perspective.

Nor were the Swedish trust funds found to have had any appreciable effect in promoting Swedish exports of goods and equipment. This is also not to be expected given the fact that most of the studies financed were evaluations and sector analysis reports, not related to the investment phase of the different projects. This does not rule out that the existence of a Swedish trust fund for consultancy studies may - through the exposure of Swedish firms and experts to the recipient governments - have a long term beneficial effect on Swedish exports.

Specific findings. Apart from the points brought forward above, we have the following specific findings:

- The filing system of COOP is of unacceptably low standard.
- BITS' (Sida's ?) filing system leaves much to be desired as it is not able to locate the files covering over a third of the activities financed by the fund.

-AfDB has apparently failed to furnish BITS with much of the agreed documentation, and BITS on its part, has during the seven years since the start of the program, apparently failed to remedy this situation.

-There has (at times) been a mismatch in expectations between BITS and AfDB regarding which role BITS should play in selecting between alternative uses of Funds.

-BITS has, in apparent breach of the intentions of the agreement, agreed to finance a long-term expert in the Bank, thereby using up almost 15 % of the second Fund.

-In conformity with the donor's wish a very large share of the funds were used for studies related to the project cycles of AfDB's programs. Under the first Fund 14 out of a total of 22 allocations went to this purpose, or 63 %. Under the Second Fund this already relatively high figure had risen to 75 % as 21 out of a total of 28 allocations went to various studies related to the project cycles. In value terms the shares are only slightly lower: 55 % under the first fund as compared to 64 % under the second fund.

-Requirements regarding basic project reporting from AfDB to BITS, including seeking of approvals for allocations, seem to have been fulfilled satisfactorily.

-BITS requirements w r t receiving reports and documentation was, especially under the first agreement, overambitious and unrealistic.

-Cooperation between COOP and the user departments has on the whole functioned, but there is room for considerable improvement and streamlining of the process.

-Although not confirmed by available documentary evidence, there is reason to believe that acceptable rules and procedures for procurement have been followed in the majority of cases.

-The procedure used by BITS to approve allocations has not been reliable as it failed to detect illegitimate contracts on a few occasions.

-The confusing way in which the requirement that consultants must be Swedish has been written into the agreement may explain some of the Bank's failures to adhere to the agreement in this respect.

-Disbursement of funds has consistently lagged behind.

-Even though efforts have been made, COOP has failed to effectively monitor the disbursement needs under the various allocations, resulting in funds being blocked in "passive" allocations.

Recommendations

- *Clear and simple agreement:* Sida should in its future agreements regarding consultancy trust funds strive to have a simple agreement with straight-forward rules, straight-forwardly presented so as to be readily understood also by a non-legal expert, and clearly stating eligibility with respect to type of study, and nationality of consultant.

- *Mandate for implementation:* AfDB should - within the scope of the agreement - be given an unrestricted mandate to implement the targets of the trust funds without having to ask for Sida's authorization for each procurement.
- *Sida's control:* Sida's control should then be exercised ex post, based on verification of half-yearly project reports. The allocations granted by Sweden could be divided in three or four *tranches* so as to allow the donor to curtail disbursements in the event of non-compliance with agreed implementation principles.
- *Reporting requirements:* A simpler, more standard required reporting routine, which is also more easily enforceable, should be agreed upon. Compulsory monitoring items should be kept to a minimum, the main ones being *purpose* of study, contract *amount*, and *nationality* of consultant.
- *BITS' / Sida's archives:* The present project is not the only case where important documentation has been missing from available BITS files. Often it was not possible to ascertain which of the below cases applies regarding missing documentation: (1) the document does not exist because it was never produced; (2) the document exists, but was never sent to BITS/Sida; or (3) the document exists, it was sent to Sida, but cannot be found. It is therefore recommended that Sida undertake an inventoriating of its old BITS files with a view to making it more accessible.
- *Coop's monitoring of allocations:* The Bank's Cooperative department needs to work out a simple and functioning internal monitoring routine, that will allow it to determine which outstanding allocations are actually resulting in contracts being signed, so as to avoid blocking funds unnecessarily.
- *The Bank's monitoring of disbursements:* Likewise the Bank needs to implement a simple monitoring system that will allow COOP to determine the actual final need of funds under each contract, so as to avoid blocking unused balances.
- *Up-dated roster of Swedish consultants:* To facilitate AfDB's procurement of Swedish consultants, Sida should prepare and supply the AfDB with an up-dated roster of Swedish consultants, preferably classified according to different specializations. Relying on the assistance of the Nordic-Swiss Executive Director's office Sida should also make sure that this roster is available - in operational form - in the relevant departments of the AfDB.

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I BACKGROUND

1. Swedish consultancy trust funds with multilateral financial institutions

Swedish aid organizations have since the late 1980s placed consultancy trust funds with various multilateral financial institutions. The main purpose of such funds is to encourage these institutions to contract Swedish consultants and consulting firms for assignments related to their operations, primarily for project work.

Today the Swedish International Development Cooperation Agency, Sida, maintains trust funds as shown in table 1.

Table 1: *Swedish Consultancy Trust Funds with Multilateral Development Banks*

MFI	Purpose	Started	MSEK
African Development Bank	Consultancy	1989	27
Asian Development Bank	Consultancy	1993	32
EBRD	Sw. experts Eastern and Central Europe	1992	40
FAO	Consultancy	1995	5
IFC	Consultancy	1993	17
IDB	Consultancy/training	1991	53
UNDP/OPS	Consultancy	1994	28
World Bank	Consultancy (general)	1992	54
World Bank	Consultancy (environment)	1990	32
World Bank	Consultancy Eastern and Central Europe	1992	39
World Bank	Consultancy (Phillipines energy)	1993	35
Total			362

An evaluation was carried out in 1993 of the trust funds in the World Bank, which found them generally positive: *"While no systematic evaluation of consultant performances is available, remarks from task managers interviewed, are generally favourable, in some cases very favourable, e.g. in forestry activities. In summary it is therefore fairly safe to classify the Fund as successful"*. It did however find conditions regarding the use of consultants to be too limiting, and also advocated consolidating all the different Swedish funds in the Bank into one so as to make for greater visibility and more efficient utilization.

The Swedish fund in the Interamerican Development Bank was evaluated (by a consultancy firm which was also one of its contractors) in October 1995 with generally positive findings:

"The professional skills and the general quality of the services financed appear to be adequate.....The impact in terms of building capacity and improving institutional and personal capabilities seems to be satisfactory. In general, the services appear to meet the development objectives and priorities of both the clients, the Bank and the donor. The relevance of the inputs seems to be adequate; ...The competitiveness of the Swedish consultants is satisfactory, although some of the experts do not have sufficient knowledge of Spanish;.....The overall impact in terms of direct and indirect follow-up work to the Trust Fund assignments is quite encouraging and the prospects for additional projects seem to be good. One of the problems is the limited competition among Swedish consulting firms, ... more Swedish consultants would have to be engaged in order to improve the competitive situation and thereby the quality of the services.....The knowledge in the Bank about Swedish consultants as well as the knowledge among the Swedish consultants of the Trust Fund at IDB should be improved.local consultants could be used more frequently..; The cooperation between IDB and BITS is very good, and the administration of the Fund is generally efficient. A few issues related to contracting of consultants, payment routines, information and reporting may however be considered in order to improve even further the administration of the Fund."

2. Swedish consultancy trust funds with the African Development Bank

The consultancy trust funds placed by Sweden with the AfDB to be analysed in this evaluation are shown in the following table.

Table 2: Swedish consultancy trust funds in the AfDB

Program	Amount, MSEK	Date of Agreement
First Trust fund	10	25 August 1989
"Bridging" facility	2	22 Oct. 1991
Second Trust Fund	15	13 April 1993
Total	27	

Early funding of studies. The African Development *Bank* and the African Development *Fund* have received Swedish support for consultancy studies since the Bank's inception in 1963. In the following AfDB is used to cover both the Bank and the Fund as the Swedish trust funds have been available for both Bank and Fund operations. From 1973 to 1988 SIDA financed 13 different studies for a total cost of SEK 26 million. Most of the funding went into projects in the infrastructure, transport and communication, and agricultural sectors. The first agreement dates back from 14 december 1983, when Sweden placed SEK 15 million at the Bank's disposal to be used for pre-investment studies during a 5-year period.

First formal agreement on consultancy trust fund. Since 1989 the *Swedish Agency for International Technical and Economic Cooperation (BITS)* was the lead agency on the Swedish side in financing studies and short term consultants. In August 1989, a two-year Trust Fund Agreement was signed by BITS and AfDB, whereby BITS made available SEK 10 mill to be used by AfDB for hiring exclusively Swedish consultants. The Fund was to be primarily used for the acquisition of the services of short term experts and consulting firms for the identification, preparation, appraisal, supervision and post-evaluation of projects as well as for pre-investment and other technical and economic studies, the provision of training, institution building and technical assistance services for the benefit of AfDB and its regional members. The ten millions were soon allocated to 22 different studies, and in order to allow continued use of Swedish consultants an agreement was reached in 1991 through an exchange of letters to increase the Fund by MSEK 2 to MSEK 12. The increase was to be used primarily for short term experts and consultants.

Second Swedish consultancy trust fund. In April 1993, a second Trust Fund Agreement was signed for a total amount of SEK 15 mill. The second fund was to be used for the same purposes as Fund no.1 with the important additions of environmental impact assessment studies (so called *EIAs* and studies related to women in development. The rehabilitation of existing

projects experiencing difficulties was explicitly added as an area of application. Like the previous fund, this should be used for hiring Swedish consultants and consulting firms. Within certain specified limitations possibilities were given to use local consultants as sub-consultants and women consultants from regional member states of the Bank.

In July 1995 BITS merged with SIDA, Swedecorp and SAREC into a new organization called the Swedish International Development Cooperation Agency (Sida), and Sida has since assumed all obligations with regard to the Trust Fund.

Swedish motives. Sweden's motive behind granting the consultancy trust funds seem generally to have been the same as for most of the other non-regional members of the Bank, who have also introduced tied consultancy trust funds of their own, namely to secure that a sufficient share of the Bank's procurement of consultants and experts went to its own nationals. In official Swedish documents decision makers make no effort to hide their perception of AfDB's procurement as having been very influenced by old colonial ties. In their view a disproportionate share of procurement always went to the old colonial powers England and France while Swedish consultants, as well as for that matter, Swedish exporters, usually found themselves marginalized as far as AfDB contracts were concerned. Whether this Swedish conception was (and still is) realistic is not entirely clear. Many people would maintain that the difficulty which Swedish consultants and Swedish exporters experience in securing contracts with the AfDB is mainly due to their own limited general exposure in Africa rather than because of a colonial bias of the AfDB procurement. This point is somewhat further discussed below under sections III:5 and III:6.

Early experience. One Swedish experience with AfDB procurement in the 1980s, ie before the current trust funds were initiated, was that even *with* a fund tied to the procurement of Swedish consultants, it was important to advertise to the various departments of the Bank not only the existence of such a Swedish fund, but also of the supply of Swedish consultants and experts in various fields. This is a conclusion arrived at in a memorandum from the Swedish foreign ministry in 1988 seeking to explain the very slow utilization of the Swedish funds in the early years. As will be argued in Section III:2 below the bank's limited knowledge of the Swedish consultancy resource base is still a major problem today. In many instances it was found that the failure of a certain department to hire a Swedish consultant - which is a requirement under the Trust Fund Agreements - was actually due to the department in question not having any knowledge of Swedish experts in the relevant field. The same can generally be said about the knowledge that various recipient African governments have of the Swedish consultancy resource base.

In the same memorandum an opinion is expressed that the *Cooperation Department* of the Bank which is responsible for relations with bilateral donors, sees fund-raising as its main task and therefore devotes only marginal interest to the actual utilization of the funds once they have been committed. It goes on to note that nor is the Bank's leadership interested in this issue, since it (rightfully - our remark) sees the bilateral trust funds primarily as attempts on part of the bilateral donors to increase their shares of the Bank's procurement. This in the Swedish opinion has led to there being insufficient interchange between the Coop Department on the one hand and the operational departments on the other, which to a large extent has been a hindrance to the efficient utilization of the Swedish funds.

As will be shown below, this evaluation, analyzing the situation in 1996, has identified the same lack of interchange as an important reason why the current Swedish Trust Funds have not always been used entirely in accordance with the agreement between BITS and the Bank.

The first agreements between the Bank and the Swedish government regarding consultancy funds were not formal cooperation agreements, and this - according to the Foreign Ministry's own memorandum - was because of the Swedish Government's own choosing. There were two reasons for this choice. *Firstly*, the Swedes wanted to avoid a formal agreement because it would lend a more permanent character to what was then seen as a temporary support, and would therefore be more difficult to terminate. *Secondly*, it would - in Swedish eyes - "risk leading to yearly consultations in both directions on a level and to an extent which would not correspond to the substance of the cooperation". In spite of the scepticism and the many reservations with respect to the consultancy funds - as evidenced by various memoranda of the Swedish Foreign Ministry at the end of the 1980s - it nevertheless remains clear that the Swedish side saw then, as it does today, the consultancy funds as perhaps the most important means of promoting the chances of Swedish firms getting access to the Bank's procurement.

Negotiation points. The main point of contention as the agreement for a Swedish consultancy trust fund was negotiated between Sweden and the Bank was the possibility to use local African consultants. The Bank, naturally, proposed that the funds should primarily be used to finance African consultants, either locally in the recipient country or from other African member states. This was countered by the Swedish side with mainly the following two arguments: *Firstly*, that African consultants could be financed by regular project and other funds already put at the disposal of the Bank by Sweden and other donors. *Secondly*, it was not clear to the Swedish authorities how to define an African consultant, for experience had shown that many "African" consultancy firms were in reality owned by companies from developed countries. The compromise solution to this point was that the

primary objective would be to hire Swedish consultants but with priority given to Swedish consultancy firms who collaborate with and use (local) African consultants as subcontractors.

BITS expressed as a determined preference that the Swedish consultancy funds be used primarily to finance studies in areas where Sweden possesses internationally recognized expertise, namely *energy, communication* including notably *tele-communication, industry, environment, water-resources and forestry*. A point originally brought forward by the Swedish side, which however did not prevail, was that the Fund should be financially managed by BITS and that consultants would be paid directly by BITS upon request by the Bank and/or the recipient government. This is a system which BITS maintained in most of its consultancy trust funds with other multilateral development banks.

3. *The African Development Bank*

The African Development Bank was founded in 1963 and started its operations in 1966. Originally only independent African states could be members but since 1982 also non-regional states are allowed. The Bank's membership today consists of 50 African states and 25 non-regional member countries. Its highest decision making body is the Board of Governors consisting of one representative from each member country. The Bank's *Executive Board* consists of 18 elected executive directors, twelve elected by the African member states and six by the non-regional members. The President of the Bank is appointed by the Board of Governors for a five year period. The AfDB's normal credit terms are 7,64 % interest, 20 year amortization period including five years grace. In addition borrowers have to pay 1 % commission on the entire credit amount as well as 1 % on the undisbursed balance. In 1995 the Bank started a major reform program, including a new - leaner - organizational structure, an action plan to improve the Bank's operations, measures to improve financial management and efforts to improve institutional governance.

Organizational restructuring. The reorganization included the following: Separation of some 250 staff, selection through tests and appointment of 12 Directors and 42 Division Chiefs, a new organizational structure as from February 1996, and outside recruitment of 18 managerial positions and of experts needed to strengthen the Bank's legal, accounting, financial, administration and computer services. The new, slimmed organization consists of appr 1000 staff. The managerial positions have been drastically decreased from 5 to 3 Vice Presidents, from 23 to 18 Directors, and from 64 to 48 Division Chiefs. The Bank's *country focus* has been strengthened by the

establishment of five *country departments*, which each include four different sector divisions. The *Cooperation Unit* (formerly *Cooperation department*), which is the one handling relations with BITS and other bilateral and multilateral donors, and which is the main object of this evaluation, has been moved from the Vice president for Administration to the that for *Operations*. It was simultaneously considerably down-sized, from 18 officers to 12.

An independent Operations Evaluation Department has been created which reports directly to the Board.

The African Development Fund. In 1972 the Bank's Board of Governors decided to create the African Development Fund, which started operations in 1973. The Fund offers soft loans to promote economic and social development to its poorer members. The loan conditions for these soft credits are 0,75 % service charge and 50 year pay-back period including 10 years of grace. The Fund shares the Board of Governors as well as Board of Directors with the Bank. It also shares the same personnel and office, and President. For each African member country the Bank prepares a priority project list of future projects needing financing. The Bank then works with five year plans whereby continuous economic and structural analysis that are made of the respective countries play a decisive role for the final decision to finance the different projects. The Bank in general has three kinds of loans: project loans, policy based loans (structural or investment), and for technical assistance.

Management crisis and decline. The African Development Bank is generally seen as having been badly managed for many years and in the early 1990s problems, that had been present for a long time, reached crisis proportions. These problems were immediately reflected in dramatically declining bilateral financing. In 1995 overall bilateral resources made available to the Bank were less than half of what they had been in 1993. In the spring of 1996 the Bank's own capital was sufficient for only about five loans per year, and all resources of the Fund to provide soft credits had been depleted.

The Bank's problems were in May 1995 described by the Financial Times thus: The Bank has been "*riven by internal power struggles, corruption and bad debt...; and an "intense politization of all decision-making"*" *The Bank's record is stained by widespread corruption scandals*". The Financial Times' analysis further found that the Bank had failed completely in the two main tasks that it had been given, namely to become an alternative source of development finance for Africa, and "*to develop homegrown approaches to solving Africa's problems thus overcoming what many felt was a humiliating dependence on western models of development as imposed by global multilateral institutions - above all the World Bank.*" According to the sources referred to by the Financial Times "*a good part of the lending , at least in recent years, has likely done more harm than good*". Part of the explanation

for this is that the Bank continued to lend money at commercial rates to countries that were never likely to be in a position to repay. Arrears peaked recently at USD 800 million, most of it associated with loans made to Zaire, Liberia, Congo and Angola.

Reforms. To remedy the acutely worsening situation dramatic action was, as reported above, taken in the winter of 1995/96 by the Bank's newly elected President. Based largely on a major management and organizational analysis carried out by Ernst & Young reforms were designed which will result in a considerably trimmed and much less top-heavy organization entailing the removal of about 70% of the management and reduction of staff by some 30 %. A number of stringent measures are being introduced to improve work routines and procedures, financial control as well the Bank's strategic planning.

Bilateral consultancy and technical assistance (trust) funds. Almost from the start of the Bank's operations, cooperation with bilateral donors in the field of technical assistance has been an important element. From 1968 to 1987 the number of bilateral donors grew to some 20. Of these, twelve have made explicit financial contributions, while six have contributed to programs mainly in the form of secondment of experts on an ad hoc basis. Up until 1987 the accumulated total of bilateral technical assistance funds - some USD 100 million - had been spent thus: 75 % for studies or short term consultants, 20 % for long-term experts, and 5 % for training purposes. As a general rule the bilateral funds have been tied to procurement of goods and services from the respective donor countries. Only in very few exceptions some donors have allowed limited eligibility of African consultants.

Today the following non-regional members of the Bank maintain one or more, always more or less tied, grant funds for consultancy and technical assistance:

Belgium, Canada, Denmark, Finland, Japan, Netherlands, Norway, Sweden, Spain, Switzerland and United States. In addition the following countries have corresponding funds, which are today classified by the Bank as being currently "inactive": Austria, China, France, Korea (South), Portugal, India and Italy.

Administratively the bilateral technical assistance funds can be said to fall into three different categories. *Firstly*, there is the Nordic/Dutch type where the Bank manages the funds, where the grant is deposited into an account held by the AfDB and replenished when the initial amount is fully utilized, and where the payment to the consultants is disbursed by the Bank. *Secondly*, there is the US type where the fund is managed by the donor, and *thirdly*, there is the Japan/England/France type where no specific amount is committed, but where requests for funding are submitted on an ad hoc basis.

An in-house **evaluation** carried out by the Bank in 1988 found a number of important disadvantages with the Bank's system of technical cooperation with bilateral donors: The amounts were fluctuating unpredictably year from year reflecting the fact that these are voluntary contributions and that negotiations are carried out separately with each donor. Furthermore the pledges are often earmarked for disbursement over more than one budget year. The multiplicity of cooperation agreements containing differing conditions and procedures caused a heavy administrative burden on the Bank's staff. Other disadvantages were the necessity to consult the respective donor at each stage of processing the funds, as well as the bias of different donors in favour of certain beneficiary countries or projects, and of course the tied nature of procurements.

Over the years several proposals have been brought forward to try to pool all the bilateral technical assistance grants into **one common fund** which could be tied to procurement collectively to all of the contributors, or alternatively perhaps also to the regional member countries. But such proposals have led nowhere since there has been, as reported in one Bank memo dating from 1988, "reluctance if not outright opposition (from the donors'side - *our note*) to the concept". In the same memo the author raises the rhetorical question: "After donors have already contributed grants to the (untied) African Development Fund, what incentives would drive them to contribute to other similarly *untied* funds". The memo even goes so far as to express fear that a proposal to replace the tied bilateral technical assistance funds with one common untied fund might in fact "jeopardize the existence of technical assistance in general", and ends by stating that "the climate in the donor communities is currently unfavourable towards untied aid,... and the establishment of a common untied fund for technical assistance is not feasible at this stage." From what can be judged the situation today, eight years later, has not changed in this respect.

II THE EVALUATION; METHODOLOGY

1. Reason for, scope and focus of evaluation

The **reason** for this evaluation, which is stated in the terms-of-reference, is to determine whether the experience gained from the consultancy cooperation with the AfDB, which has been going on since 1989, calls for "new modalities in order to improve the efficiency and effectiveness of the Swedish Trust Fund". To this can be added two other reasons. One is apparent implicitly from the critique which has been directed to the Bank for not managing the trust fund efficiently. According to reports reaching the donor in Stockholm not only was disbursement lagging severely behind, but also several of the stipulations of the agreement - most notably that which requires the consultants to be Swedish - seemed to be violated. There was apparently also a (small) fear on the donor's side that it could not be ruled out that irregularities might have taken place. This perceived uneasiness on part of the donor, coupled with the Bank's general reputation, which as we have noted above, had deteriorated dramatically towards the middle 1990s, would in fact seem to be the real reason which prompted Sida to undertake an evaluation at this time.

There is, however, also another quite compelling reason to undertake this evaluation, which is not mentioned in the terms-of-reference either. This is the simple fact that the donor made a decision back in 1989, when the first fund was instituted, to make an evaluation "after a few years". No such evaluation has yet been undertaken even after seven years have passed. Strangely enough the need and the right for the donor to evaluate the program is not, as is often customary, mentioned in the agreement. Under article V "Consultation and Exchange of information" is however said that "representatives of BITS and the Bank may from time to time meet to review the status of studies and other technical assistance activities financed hereunder..."

The **scope of work** can be summarized by points 3.1 (a) and 3.1(b) of the terms of reference (reproduced as Annex 4) which read:

(a) *describe and make a general assessment of the relevance, impact and cost effectiveness of the Swedish financed services and inputs through the*

Consultant Trust Fund, and

(b) assess the efficiency of the Trust Fund as an instrument for drawing on Swedish expertise in demand by the AfDB for identified tasks

From those two general points follow these specific points:

Assess:

- (c) the follow-up made by the AfDB of the services/assignments financed through the trust fund
- (d) the competitiveness of Swedish consultants
- (e) the utilization of the trust fund compared to those of other similar facilities available to the AfDB
- (f) the extent to which trust fund financed assignments have led to follow-up assignments for Swedish consultants with AfDB, with or without financing through the trust fund
- (g) the extent to which assignments financed by the fund have led to any procurement of Swedish goods and services financed by loans from AfDB/AfDF

In addition the terms of reference contain the following tasks:

- (h) assess operational lessons learnt
- (i) suggest any improvements of the mode and modalities of the trust fund taking into consideration rules and procedures of the AfDB and the stipulations of the agreement signed between AfDB and BITS in respect of the trust fund
- (j) assess the special situation in the Bank during the time of the trust fund agreements and the implications this might have had on the efficiency/operations of the fund

2. The assignment

The assignment for this evaluation was 28 man-days to be used for

- preparatory work in Sweden going through the files of BITS and interviewing Swedish consultants contracted by the trust fund
- interviews and discussions as well as analysis of the files in the AfDB headquarters in Abidjan, Ivory Coast
- optional field visits to one or two recipient African countries, and
- report writing

The preparatory work in Sweden turned out to be of limited importance because the BITS files contained very little of the information needed, and because the total available time only permitted a limited amount of interviews to be made with the Swedish consultants.

As for the optional field visits to one or two recipient countries the relative importance of such visits was not deemed to be big enough to warrant the time needed to carry them out. Given the fact that the trust fund program to be

evaluated actually consists of 50 different projects in almost as many countries, this is only natural. The all-important part of the assignment therefore turned out to be the interviews as well as the review of the AfDB files to be carried out in the Bank headquarters in Abidjan. As will be described below, however also the files of the AfDB left much to be desired, which left the interviews with the Bank staff as the only real source of information for this evaluation.

The normal procedure in an evaluation which contains a very large number of different projects, like the present one, would be to first carry out a desk study of the the documentation contained in the files, and then carry out interviews and discussions *based on* the findings of the desk study. But because of the inadequacy of available files such a procedure would not have been meaningful. All real information gathering had to be made through interviews. A one-week visit to the Bank headquarters in Abidjan was carried out by Mssrs *Öhlund* and *Goppers* from May 29 through June 5 1996, during which time about 50 different - mostly short - interviews were carried out. Of the 50 different projects we managed to interview the person responsible for about 35. In addition we met with about 15 other officers responsible for procurement, accounting, evaluation etc., and with the current and former managers of the Cooperation Department (herewith referred to as *COOP*). A list of persons met is provided in annex 2.

3. *Availability of data*

AfDB's archives. A large part of the documentation regarding the Swedish Trust funds (as all the other trust funds for that matter) was practically not accessible to the mission. There were two reasons for this. *Firstly*, a large part of the files could not even be located. This was particularly true regarding the first Swedish fund. The files which *could* be located were not accessible for a different reason, which the mission found remarkable to say the least: All letters and documents regarding the Swedish trust fund - together with some other materials - had been filed in chronological order in the ringbinders *without any systematic classification whatsoever*. We were told that this total lack of systematic filing is a common occurrence also within other departments of the Bank. We find this hard to believe, but did not have time to investigate further. *Secondly*, because of the recent shake-up and change of personnel, which in the case of *COOP*, as was mentioned above, meant a decrease in personnel from 18 to 12 persons and which brought new persons to all but a few of the posts, there was almost no institutional memory available. During the time of our visit there was in fact no person present who actually knew about the trust fund program and the contents of the files. The officer currently responsible for the Swedish trust fund, was in hospital undergoing surgery and could not be interviewed. In any case this officer had only been in

her post a few months and might therefore not have been able to contribute much.

This meant that the mission for its information gathering was almost entirely limited to the information which could be obtained from interviewing the officers in the various operational departments responsible for the projects associated with the consultancy studies financed by the Swedish trust fund. As there are 50 different projects this meant interviewing almost as many program officers. Many of these officers however turned out - again because of the change of personnel - to be entirely new in their posts, and therefore often had at best second-hand knowledge of the project in question. Of the 35 program officers interviewed actually only a handful had been in his/her post more than a few months.

One of the first findings of this evaluation mission is that - even allowing for the lack of institutional knowledge brought about by the change of personnel - the Coop department's filing system is grossly inadequate.

Finding 1: The filing system of COOP (the Division responsible for the consultancy trust funds) is of unacceptably low standard

To some observers of the AfDB this finding may come as no surprise given the Bank's declining reputation in recent years, but in our view it stands in contrast to most of our other findings regarding the AfDB. As will be apparent below we found most other aspects of AfDB's work, including various administrative routines quite acceptable and of a quality on par with most other organizations engaged in foreign aid.

BITS's (Sida's) archives. If the low standard of AfDB's archives could at least partly be attributed to the major shake-up in organization and personnel which was just implemented, the same cannot be said in defense of Sida's files which we also found to be inadequate regarding the trust fund programs. The fact that BITS moved from one office to another in the autumn of 1995 to us does not seem to be sufficient excuse for inability to locate relevant files almost a year later.

As we started our assignment by going through the files of BITS it became apparent that documentation regarding most of the activities financed by the Swedish consultancy trust fund were missing. After this became known to Sida a few additional ringbinders - but not all - were located and given to us.

Renewed efforts by Sida's archive personnel produced some additional documentation, but the end result was that documentation regarding 18 out of a total of 50 activities financed by the fund - i.e 36 % (!) - is still missing. Another early finding of this evaluation is therefore that the BITS filing system leaves something to be desired. We are not able to determine whether this is a fault attributable to BITS, or if the merged organization Sida has any part of the blame.

Finding 2: BITS' (Sida's ?) filing system leaves much to be desired as it is not able to locate the files covering over a third of the activities financed by the fund

A second finding regarding the BITS files was that the contents of the documentation which could be found, to us seemed insufficient, especially given the very high ambition regarding overseeing and formal approvals of suggestions made by the AfDB, which BITS had retained for itself especially in the first agreement. According to that agreement BITS was to receive for approval not only requests for allocations, but also, for immediate information, copies of almost all relevant documents, including memos of contract selection committees, signed contracts and of course the consultancy reports, or at least summaries of such reports. As for the consultancy reports only 12 out of almost 50 are today available in Sida's files. Memos of selection committees are even rarer. Theoretically, one reason for BITS not to have the reports in its files could be that they were never produced. As our work in the AfDB headquarters showed however, most - if not all - consultancy assignments did in fact result in a report being produced. So this can not be a reason for BITS not having received so many reports. Overall, it would seem that BITS has received less than half of what it was supposed to according to the agreement.

In chapter III below we will argue that BITS, at least in this first agreement was overambitious in its demands not only w r t insight and control over AfDB's activities, but also in the amount of reports it wanted to receive. But, nevertheless it remains a fact that BITS' files does not show evidence of BITS having received what it was supposed to by agreement. We therefore have the following finding:

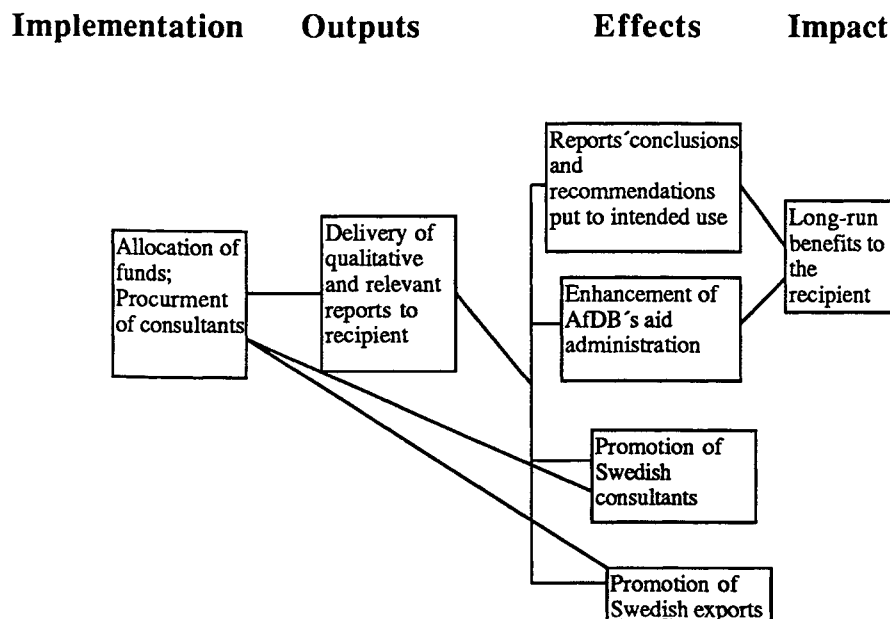
Finding 3: AfDB has apparently failed to furnish BITS with much of the agreed documentation, and BITS on its part, has during the seven years since the start of the program, apparently failed to remedy this situation

Sources of information. The findings presented in the next chapter are based on the following sources of information:

- study of available files at BITS/ Sida in Stockholm
- interviews with half a dozen Swedish consultants having been financed by the Fund
- study of available files in AfDB headquarters in Abidjan
- interviews with about 30 AfDB project officers responsible for the concerned projects
- interviews with about 10 AfDB officers responsible for functions as accounting, procurement, evaluation, etc., as well as with the officers responsible for the trust fund programs
- interviews with some former officers of BITS

4. Methodology

In terms of a *logical framework model* the structure of the Swedish consultancy fund program may be shown like this:



The questions to be answered by the evaluation, as presented in the scope of work above, can therefore usefully be analyzed within the *logical framework* table as shown in table 3 below.

Table 3: Logical framework for the analysis of the consultancy trust funds

Level of goal hierarchy	Planned objectives/targets	Assumptions made	Achieved outcomes
Inputs	Funds made available by BITS		
Activities: 1	Agreed rules for allocating funds, including requirements for approvals and reporting		
Activities: 2	Agreed rules for procuring consultants		
Activities: 3	Requirements w r t disbursement, accounting, monitoring, reporting and filing		
Output/production goals	Qualitative and relevant reports submitted to beneficiary		
Effect: 1	Consultancy reports being put to intended use		
Effect: 2	Consultancy reports contribute to the enhancement of AfDBs aid administration		
Effect: 3	Additional assignments generated for Swedish consultants		
Effect: 4	Export orders generated for Swedish exporters as a result of AfDB contracting Swedish consultants		
Impact	Long-term/sustainable benefits for recipients		

Accordingly the text in Chapter III "Findings" will be organized in the following order:

Implementation:

- Allocation of funds; compliance with procedures for approvals and reporting
- Procurement of consultants
- Disbursements and accounting procedures; monitoring of funds
- General efficiency of AfDB's management of the trust funds

Output:

- Relevance and quality of reports delivered

Effects/Impact on beneficiary of consultancy reports:: Have the reports come to good use? What, if any, has been their respective effects and impact?

- Recipient countries

- AfDB's aid administration

Effects/impact w r t the objective of promoting Swedish consultancies

Effects/impact w r t the objective of promoting Swedish export interests

Due to the nature of this evaluation - largely an *institutional* analysis - and due to the time constraint our analysis will not cover the *impact* stage of the goal hierarchy, but only up to the *effects* level.

Target groups. In terms of *target group analysis* this program can be seen as having four different target groups, i.e the ones who are supposed to benefit from the program:

- (1) the recipient (country) receiving the benefits of the work carried out by Swedish consultants and experts,
- (2) the AfDB, whose operations can be expanded and supposedly enhanced because of the trust fund, and
- (3) the Swedish resource base of experts and consultants who are meant to benefit from a wider employment opportunity because of the trust fund.
- (4) the Swedish exporters who hope to get additional orders as a direct or indirect result of Swedish consultants being used by the AfDB.

III FINDINGS

1. Overview of results

In the following table we present in summary fashion the findings under the various levels of the goal hierarchy for each of the 50 allocations of the Swedish consultancy funds. For each allocation where a contract has been awarded we have rated the performance w r t

- *implementation*, which includes allocation, procurement, and accounting/monitoring
- *output quality and relevance*,
- *delivered effects to the recipient*

The performance is then discussed in Section 2: *Implementation*, Section 3: *Output*, and Section 4: *Effects*. The column "effects" here refers only to the effect of the consultancy report w r t the beneficiary of the report, i.e. either the recipient country or the AfDB administration. Effects w r t benefits for Swedish consultants as well as for Swedish exporters are discussed in sections III:5 and III:6 below. The performance is classified as follows:

"good"	2
"satisfactory"	1
"not satisfactory"	0
"no information available" or "impossible to	-
"study not carried out"	n.a

"RMC" in the table denotes "Regional Member countries", ie the African states. EIA denotes "environmental impact assessment study"

The conversion between SEK and USD has fluctuated between 5 and 8 SEK per USD. Boxes that remain empty are when no data was available to the evaluation mission.

Table 4: Summary findings 1st Swedish Consultancy trust fund: Performance rating w r t implementation, output and effect

Allocation	Beneficiary	TSEK	Implementation	Output:	Effect:
1 Monitoring environmental resources	AfDB	1,220	2	1,5	2
2 Conference w participation of Swedpower	Niger,Benin	56			
3 Workshop electricity network	Niger,Benin	42			
4 Seminar on energy strategy	RMCs	50			
5 Prefeasibility study of Ghana plant	Ghana	2,300			
6 study on AfDB training	AfDB	1,415			
7 Study on National Health Institute	Botswana	971	1	2	2
8 Review of regional integration efforts	RMCs	260			
9 Geographic information system	AfDB	1135	2	2	2
10 "Minor projects"		300			
11 Environmental impact assessment of dam	Algeria	824	2	2	2
12 Study on social dimensions of adjustment	Zimbabwe	114	2	2	2
13 Study on social indicators	RMC/AfDB	70	2	0	0
14 Envir.Impact assessm.WID projects	Mozambique	135			
15 Study to establish Afr. Envir.foundation	RMCs	92			
16 Study on AfDB procurement	AfDB	874			
17 PPAR rural health care project	Malawi	180			
18 Env. impact assessm. study livestock	Zimbabwe	327	2	-	-
19 Env.Impact assessm. rural development	Centr. Afr.r.	132	2	2	2
20 Env. imp. assessment on cement project	Uganda	210			
21 Env,impact assessm, water supply project	Nigeria	420			
22 Project preparation	Guinea	14			

Table 5: Summary findings 2nd Swedish Consultancy trust fund: Performance rating w r t implementation, output and effect

Allocation	Beneficiary	TSEK	Implement ation	Output:	Effect:
1 Study on rehabilitation of hospital	Tanzania	86	0	1	n.a.
2 Preparation mission banking sector	Mauretania	207	-	-	-
3 Women In Development project	Gabon	232	0	2	2
4 Dam project study	Burundi	143	2	2	n.a
5 Supevision mission lines of credit	Chad	120	2	2	2
6 PPAR on Health services	Swaziland	155	2	2	2
7 Supervision of transport sector project	Tunisia	200	0	2	2
8 Preparation of AfDB environment report	AfDB	168	0	2	2
9 Study on establishing a Afr. devel. Institute	AfDB	774	2	2	2
10 Study on power interconnection	Nigeria Benin	1512	2	2	n.a.
11 PPAR water & sanitation project	Mozambique Ghana	804	To be	cancel	led
12 WID monograph	Eritrea	398	1	1	2
13 EIA -study on industrial fisheries	Seychelles	244	2	2	n.a.
14 WID roundtable conference	PTA	713	0	1	1
15 Review of rural development project	Cameroon	587	2	-	-
16 Review of forestry policies selected RMCs	RMCs	1475	2	2	2
17 Supervision of agricultural project	Rwanda	69	2	n.a.	n.a.
18 Publication/printing of book	AfDB,RMC	175	1	2	2 (-)
19 Training workshop WID	RMCs (?)	169	0	-	-
20 Study on health care financing	Senegal,Gu- inea,GUB	924	1	0	0
21 Study on country programming	Gambia	184	2	2	2
22 Study on credits and institutions	Cap Verde	88	2	-	-
23 EIA study on feeder roads project	Lesotho	1326	project	to be	cancel
24 Project completion reports (PCRs)	Madagascar Uganda,Gabon	1948	-	-	-
25 EIA study on cement factory rehabilitation	Nigeria	231	2	2	n.a.
26 Appraisal of road project	Mozambique	329	2	n.a.	n.a.
27 Project Completion Report road project	Lesotho	277	2	n.a	n.a.
28 Financing of long-term Swedish expert	AfDB	2210	0	2	2

As can be seen in table 4 for the first fund, more than half of the spaces have been left blank. This reflects the fact that we have very little specific information on the consultancy studies financed under the first fund. We do however have a lot of *general* information, and especially general *impressions* gathered from our many interviews. This general information and impression all point in one direction, namely that the performance w r t all three levels - i.e. *impementation*, *output* and *effect*, with a few known exceptions, have been entirely satisfactory or good also under the first fund. But since we lack the specific information we have no basis for ascribing individual performance ratings to the various consultancy studies.

2. *Implementation*

In the summary table above we had in the column "implementation" made ratings regarding how "successful" the program had been w r t *implementation* of the various projects. Implementation then includes the following elements:

- *allocation* of funds to different uses, including
 - compliance with approvals and reporting requirements, and
 - cooperation with user departments
- *procurement* of consultants
- *accounting*, disbursements and program monitoring

2.1 Allocations of funds to different uses

The responsibility for allocating funds to different studies rests solely with AfDB according to both agreements. However, BITS' beforehand approval was required in the case of the first agreement for assignments exceeding a value of SEK 150,000 and in the case of the second agreement exceeding a value of SEK 200,000. AfDB was authorized to decide on contracts expected to cost less than these amounts but was, under the second agreement, obliged to promptly inform BITS.

The allocations of the Swedish funds to different uses can be seen in tables 6 and 7 for the First and Second Trust Funds respectively.

Table 6: *The first Swedish Consultancy Trust Fund: allocations for different uses*

Purpose	Number of Studies	Total amount, SEK
Studies relating to project cycle	14	6, 128 000
Studies relating to AfDB's aid administration	5	4,818 000
Seminars, workshops	3	150 800
Total	22	11, 096 000

Table 7: *Second Swedish consultancy Trust Fund: Allocations for different uses*

Purpose	Number of studies	Total amount, SEK
Studies related to project cycle	21	10, 219 000
studies related to AfDB's aid administration	5	4, 797 000
Seminars, workshops	2	882 000
Not allocated	3	
Total	28	15, 898 000

High compliance rate. The most striking feature of the two tables would seem to be the very high compliance rate with the donor's wish that the funds be used primarily for studies related to the respective project cycles of AfDB's programs. Under the first Fund 14 out of a total of 22 allocations went to this purpose, or 63 %. Under the Second Fund this already relatively high figure had risen to 75 % as 21 out of a total of 28 allocations went to various studies related to the project cycles. In value terms the shares are only slightly lower: 55 % under the first fund as compared to 64 % under the second fund. As for the allocations related to *AfDB's own administration* these are also well within the intentions as specified by the donor. Five out of 22 allocations, representing about 43 % of the funds were allocated to such studies under the first fund, and five out of 28 allocations representing about 30 % of the funds

under the second Fund.

When it comes to the allocations made to finance various *seminars* and *workshops* these are however more doubtful, as this type of use is not mentioned in the agreements. These amounts were however quite small. Under the first fund three allocations were made to finance seminars, representing only 1,3 % of the funds, while under the second fund two allocations were made representing 5,2 % of the total amount.

As regards allocations to different uses we can therefore formulate the following finding:

Finding 4: An overwhelming majority of the allocations under both Funds have been to uses which conform exactly with the requirements of the agreement

Responsibility for allocations. When it comes to judging the merits of and selecting between various alternative proposals for allocation of the Swedish funds, there seems to be a mismatch in the expectations of BITS and COOP respectively regarding what each is supposed to do. On the one hand it is clear from the few Swedish policy documents that exist in the consultancy trust program, that the Swedish side has no intention to take responsibility for identifying those allocations from a list of many potential uses, which are the optimal ones. At the same time however, our interviews and study of AfDB documents have made it clear that COOP on more than one occasion has sent on to BITS, for its approval, raw unprocessed suggestions of financing which have come in from the user departments, with the expectation that BITS will decide whether the suggestion merits financing from the Swedish Trust fund or not. Cases in point would seem to be the financing of some seminars as well as a few studies, which BITS approved mainly because BITS *assumed* that they were priority uses expressed by the Bank. But, in reality, COOP had sent the proposals on to Stockholm "because they didn't know what to do with it". It is not difficult to see that such a mismatch in expectations could arise, because the agreement could be misleading, particularly the first one, by the very high demands it poses regarding approvals and reporting from AfDB to BITS. It should however be pointed out that in the majority of cases COOP did in fact do a screening of the proposals for allocations received from the user departments. On the average, we were told that, only two out of ten proposals brought forward by the operations departments were accepted.

Finding 5: There has (at times) been a mismatch in expectations between BITS and AfDB regarding which role BITS should play in selecting between alternative uses of Funds

Long-term expert. A breach of the criteria for uses of the Swedish fund - if not formally, then at least against the *intentions* of the fund - seems to be the financing of a Swedish long term expert functioning on a two year contract in the AfDB. This is moreover the by far largest single allocation in the entire program - SEK 2,2 million, or almost 15 % of the total for the 2nd trust fund. Nowhere in the agreement does it say that a long term expert can be financed. In a BITS decision memo from 1989 it is also stated that "*the question of experts would be handled outside of the agreement*". In spite of this we have seen no document or heard any comment, either on the Swedish or AfDB side, where this allocation is questioned. On the contrary, in a letter from May 1993, BITS informs COOP that it has no objection to AfDB financing another two Swedish long-term experts from the Fund. More recently, in the spring of 1996, the financing of the Nordic privatization unit through the Swedish consultancy trust fund was discussed as an alternative to the present Nordic arrangement, again in apparent breach of the explicit intentions of the Trust Fund, which is to promote Swedish consultants.

This allocation must, if at all, be based on a rubber paragraph (article II:2) contained in the agreement which allows the financing of "*.... any other activity of technical or operational nature within the scope of this agreement and relates to the Banks operations as agreed separately between the parties*". While we can see the usefulness of including such a rubber paragraph in an agreement to allow for unexpected needs, we do not think it is justified to use it as a basis for such a large share of the funds as 15%.

Finding 6: BITS has, in apparent breach of the intentions of the agreement, agreed to finance a long-term expert in the Bank, thereby using up almost 15 % of the second Fund

Seminars and conferences are in principle *not* eligible for financing under the Swedish consultancy trust fund, and this has been the message received by COOP from BITS on a few occasions as they forwarded proposals for such financing. However, in a total of seven cases, the Swedish funds have in fact

been used to finance seminars or conferences - with the acceptance of BITS. We can thus note that BITS has not found it important to enforce this particular limitation in the use of the Swedish funds. When it comes to the SEK 174,000 allocated for publishing a book, by a British - not Swedish - publisher, we do not know whether this can be considered a priority use of funds for the Bank or not, but we do believe that the financing of printing costs incurred in a non regional member country like England is not in accordance with the stipulations of the agreement for the Swedish consultancy trust funds.

Finding 7: BITS has been fairly liberal in granting exemptions from the general criteria for allocating funds

Compliance with approvals and reporting requirements. For giving its approval for a certain allocation BITS required under the first agreement extensive information containing, in particular, a justification for the study or technical assistance activity, the terms of reference, estimated costs, financing plan and implementation schedule. In addition BITS expected to receive a *short-list* of consulting firms and consultants to whom the invitation to tender would be sent. In the second agreement the information requirements were somewhat reduced and simplified. Moreover, BITS was obliged to give its reaction within ten calendar days and failing this the proposal could be considered as approved.

Due to the above mentioned absence of systematic files both on the Swedish and AfDB sides, it has not been possible to confirm whether BITS' approval was always obtained in the cases where necessary, or in deed whether approval was always sought. But we have seen sufficient evidence of such correspondence to make us inclined *not* to doubt that requirements regarding basic project reporting and approvals was generally followed.

Finding 8: Requirements regarding basic project reporting from AfDB to BITS, including seeking of approvals for allocations, seem to have been ful-filled satisfactorily

For AfDB there was a heavy burden of reporting back to BITS also regarding

general documentation. According to the agreements article IV, "the Bank shall furnish BITS with the following document, reports and financial statements: (a) a semi-annual report on the activities and operations financed out of the Swedish contribution and the status of progress of each such activity or operation ! (our exclamation mark) ; (b) an annual audited financial statement of funds received and disbursed from the Swedish contribution, and (c) a copy of the final version of each study completed.". As was already said above very little of this documentation has actually been received by BITS, at least on a routine basis. And, in our view, for good reason, because this degree of reporting requirement is overambitious and therefore unrealistic to expect it to materialize. It would, had it been carried out, have demanded unreasonably much time and effort both on the part of AfDB and BITS.

One finding of this evaluation is therefore that the level of reporting requirement according to the first agreement was unnecessarily large and unrealistic especially in view of the independence that was, as a matter of policy, expected by BITS from AfDB as manager of entrusted funds.

Finding 9: BITS' requirements w r t receiving reports and documentation was, especially under the first agreement, overambitious and unrealistic

Collaboration between the Bank's Cooperative Department, COOP and the user departments. After a trust fund agreement has been negotiated and signed the Cooperation Department after 1996 *Division*) circulates information to the user departments on the terms and conditions of the relevant trust fund, inviting the user departments to submit applications for approval. The Operations Departments responsible for projects and loans are the main users of the Trust Funds, but there are also other departments, i.e. post-evaluation, administration, etc., among the users. The user department submits its application to COOP for approval. In a few cases the application has been accompanied by a short-list of possible consultants to invite for bids, but in most cases that has not been the case. COOP forwards the application to BITS for final approval if the cost of the assignment was expected to exceed SEK 150,000 or SEK 200,000 respectively. If BITS approval was given this was communicated to the user department through COOP. For assignments costing less than these amounts final approval could be given by COOP.

In an analysis of COOP's administration carried out by a Norwegian consultant in the spring of 1996 (Knut Opsal, April 1996) it was found that

COOP's routines needed streamlining. In presenting proposals for financing, a lot of unnecessary duplication of efforts was experienced, as the role and functions of COOP were not defined clearly enough and its relationship to other parts of the Bank remained in some cases vague.

Several cases have been reported where communication between COOP and the user department was not functioning. In one case the department claims to have concluded a contract with a consultant before it even knew which country's trust fund would be used to finance the contract. An often heard complaint from the user departments is that they are not informed beforehand what funds are available. If they had such an overview their planning of different studies would be facilitated. Generally user departments would prefer to be able to deal directly with the foreign donor agencies in seeking approvals for allocations made. This is because they feel that it takes too long time to get an answer from COOP regarding requested allocations. One department had a computer list with over 20 requests which had remained unanswered for a long time. On the other hand we know that COOP did maintain seemingly acceptable routines for processing requests and of forwarding them to BITS for approval.

Our discussions showed that over the years there have been plenty of complaints regarding the efficiency of the collaboration both from COOP's side and from the user departments. Sometimes the relations have functioned smoothly and sometimes less. There is no discernible pattern which allows us to conclude on a general basis whether one of the sides could be said to be at fault. Largely it would seem to be normal routine problems which one can expect to find in any organization. This however does not change the fact that administrative and organizational problems in the last years have been known to be relatively serious all over the Bank.

Finding10: Cooperation between COOP and the user departments has on the whole functioned, but there is room for improving and streamlining the process.

2.2 Procurement of consultants

The responsibility for procuring the consultants rests solely with the user departments. They have to follow the general procurement guidelines for the use of consultants established by AfDB. The guidelines are currently under review. In brief the procedure to follow is (a) the preparation of the terms of reference for the assignment, (b) preparation of a short-list of 3-5 qualified consultants, (c) sending out invitations to bid, (d) receive and evaluate the bids

and finally (e) negotiate and conclude the contract with the successful bidder.

There are formalized rules and procedures - including various forms to fill in - for most of these stages of the procurement process. To mention just one example there is a document called "transmission of list of consultants" that the Procurement division sends out to its client departments.

The procurement should according to AfDB rules be handled by a formally appointed **selection committee** with at least three members set up for the purpose. There has so far been no specific guidelines as to the composition of a selection committee. In the revised guidelines, however, there are directives as to who shall be members of the committee. The selection committee is supposed to prepare a memorandum giving details on the procurement process and justifications for selecting the successful bidder. It has not been possible to establish whether such a selection committee was always appointed, whether the committee (*if* one was appointed) always produced a memorandum on the selection procedure, and whether such a memorandum was always sent on to COOP. We have proof that these formal requirements have been followed in about a dozen cases. And our general impression collected mainly from the interviews gives us reason to believe that as a general rule acceptable formal rules of procurement were followed.

Finding 11: Although difficult to prove with documentary evidence, there is reason to believe that acceptable rules and procedures for procurement have been followed in the majority of cases.

Nationality of selected consultants. The most fundamental criteria for selecting a consultant financed out of the Swedish Trust Fund is that the consultant be Swedish. Tables 8 and 9 show the nationalities of the consultants recruited to perform the various studies.

Table 8: *First Swedish Consultancy Trust Fund: Nationality of Consultants*

Nationality of consultant	Number of studies	Total amount
Swedish	12	9, 396 000
African	2	274 000
Not known, or not yet identified	8	1, 473 000
Total	22	11, 143 000

Table 9: *Second Swedish consultancy Trust Fund: Nationality of consultants*

Nationality of consultant	Number of studies	Total amount, SEK
Swedish	11	9, 137 700
Other (non-African)	3	263 500
African	9	2, 420 500
Seminar/workshop	2	
Not allocated	3	4, 078 500
Total *	28	16, 782 200

* In these computations we have used an *average* for the then very fluctuating rate of exchange between USD and SEK. This explains why the total shown is higher than the factual one. For our purposes here, which is to compute rough orders of magnitude, this error does not matter.

Under the first fund 15 out of 22 contracts representing some 88 % in value terms, went to Swedish consultants, and only two, representing only 2,4 % of the total value, to African consultants. As many as five studies representing 9,6 % of the total funds, could however not be identified as to the nationality of the contractor.

As for the second fund a very striking feature, as shown in table 10, is the very large number of non-Swedish consultants. Out of total of 25 allocations, where a consultant has been procured, only 11 could be identified as Swedish, while as many as 9 were African. In three cases other (non-african) nationality consultants had been used - two US citizens and one British. In value terms the deviation from the agreement's stipulation to hire Swedish consultants is however not so important, as SEK 9, 1 million out of a total of 12,7 MSEK allocated (72 % of the total) went to Swedish consultants, and only SEK 2,4 million (19 % of the total) to African consultants. According to the information made available to the mission over MSEK 4 still remains undisbursed.

The second agreement gives AfDB the authorization to hire, with notification to BITS, **women consultants** from Regional Member States within a total limit of SEK 500,000. Within the item for non-Swedish consultants mentioned above two projects to a value of SEK 194,000 fall in this category. In addition a women seminar was financed, with BITS approval, at a cost of SEK 684,000.

Finding 12: Measured in value terms an overwhelming majority of the funds, over 80 %, have been used so as to satisfy the fundamental objective of procuring Swedish consultants, but in terms of number of contracts as many as half of the contracts have been with non-Swedish consultants, clearly against the intentions of the agreements.

Legitimacy of procurements. According to both agreements *“the Swedish contribution shall be used to finance the services of Swedish consultants and consultancy firms”*. Both agreements also make allowance for the use of local, *Regional Member State* consultants subject to two conditions: a) that the African consultant is sub-contracted as part of a larger contract with a Swedish firm, and b) that the Bank may use local member state consultants in *exceptional* cases after prior approval by BITS. The second agreement limits the total funds allocated to local consultants to a maximum of 10 % of the total. It also provides for another total of SEK 500, 000 which can be used for local, regional member state *women* consultants. The remaining important difference between the two agreements w r t allowed uses is the rubber paragraph referred to above, whereby the second agreement allows the financing of *“... any other activity of technical or operational nature within the scoper of this Agreement and relates to the Banks operations as agreed separately between the two parties”*. According to both agreements the Bank may commit funds up to a certain level without the prior approval of BITS, but with an obligation to notify afterwards. This level was set at SEK 150, 000 in the First Agreement and SEK 200, 000 in the Second.

Regarding the procurements under the first fund our information is too limited to present statistics. We do know that three seminars and conferences were financed which is not in accordance at least with the written intentions of the fund. Regarding the five contracts where the nationality of the consultant could not be identified, we may venture a guess that maybe half were *not* in accordance with the stipulations of the agreement.

Tables 10 shows for the second fund how many of the procurements, broken down by different uses, have been made in accordance with stipulations.

Table 10: Second consultancy trust fund: "Legitimacy" of contracts

Nationality of consultants	Number of contracts	of which "illegitimate"
Swedish	11	1
African	9	3 - 7 (?)
Non- regional member states	3	3
Seminars/workshops	2	2
Total allocated	25	9 - 13 (?)

The table shows an alarmingly high share of "illegitimate" contracts. As many as half of the contracts have thus been with consultants which were not allowed according to the agreement, indicating a state of "anarchy" as far as following the letter of the agreement is concerned. From table 9 above we could however see that the violation agreements account for only a small amount of the total allocations.

The unavailability of many of the files to this mission, referred to above, has prevented us to determine exactly how many of the contracts with local African consultants are allowed by the agreement either because they were as sub-contractors to Swedish consultants, or because they were "exceptional" cases for which prior approval of BITS was sought and received. A reasonable guess would perhaps be that half of those nine contracts complied with the rules, the other half not. But we do not really know. Of the three contracts awarded to consultants from non-regional members of the Bank, none can be justified according to the stipulations of the agreement. As regards the contract given to a Swedish long term technical expert, also this falls outside of what is stipulated in the agreement.

Finding 13: Although not important in the total amount of funds used, an alarmingly large share of the procurements have been in violation of the agreements. Under the second fund as many as perhaps half of the 25 contracts were *not* in compliance with the stipulations of the agreement

As regards the blame for this seemingly wide-spread indiscipline in following the stipulations of the agreements this, in a direct sense, must lie with AfDB. However, as our discussion below indicates, the donor BITS must to some extent share the blame. This is mainly because BITS can be held at least partly

responsible for the stipulations not being entirely clearly presented, and also for failing to sufficiently actively monitor that these stipulations, which had of course come about because BITS demanded it, were actually enforced.

The former Director of COOP maintains that BITS' approval was sought and received in all cases, but we have not been able to retrieve documentary evidence for this. However, in May 1994 AfDB sent a faxletter to BITS specifying the allocations made under the second agreement until then. This list also includes most of the non-Swedish consultants to be assigned. We have not seen evidence of any reaction from BITS to this information until a year later, in May 1995, when an up-dated list was sent in with the same information. Then BITS sent a query asking for explanation why so many non-Swedish consultants had been used. AfDB apologized and explained that a mistake had been made "*in accordance with our misunderstanding*", presumably referring to the wordings of the relevant articles in the agreement, which we below will argue is confusingly written.

Deficient communication. The normal procedure for COOP to seek BITS' approval seems to have been for COOP to send a letter to BITS informing about having allocated a certain amount for a certain specified purpose using the phrase "the above mentioned project is within the scope of activities approved by BITS...", *without* however mentioning who the prospective consultant will be. After that the user department proceeds to contract a consultant who may or may not be Swedish, but BITS is not - until much later, when the study has already been started - made aware of who the consultant is.

This seems to be a flaw in the agreed procedure between BITS and COOP, which is mentioned explicitly by BITS itself in a letter from 1992, stating that "BITS, as it gives its approval for using the consultancy fund for a proposed study, is not always aware of which consultant is or will be recruited to carry out the study"

Finding 14: The procedure used by BITS to approve allocations is apparently not reliable as it has not been able to detect some illegitimate contracts

Confusing text of agreement. One important reason for the deviations from the agreement which have occurred, could well be that the agreement is not very clear on this issue. At least it is not written in a "reader friendly" manner. As we can testify it is quite possible to read the agreement without actually becoming aware of the requirement that the consultants be Swedish and

nothing else. Formally, there is no flaw, because the stipulation is there. But it is "hidden" behind a series of subparagraphs presenting exceptions to the general rule. It is thus not presented "up front", but as a sub-point to a subparagraph of Article II. Whether this - in a layman's eyes - clumsy presentation can actually explain why some departments, who received copies of the agreement, still were ignorant about the fact that Swedish consultants were to be used, is difficult to say. But given that we have hardly detected anything else in either COOP's or the user departments' handling of the consultancy trust fund, which we find suspicious or sub-standard, we are inclined to believe that at least some of the deviations from the agreement that took place could well be explained by them having misunderstood the agreement.

Finding 15: The confusing way in which the requirement that consultants must be Swedish has been written into the agreement may explain some of the failures to adhere to the agreement in this respect.

"Smoking gun". Another possible (part-)explanation for the fact that the user departments have obviously not always been fully aware of the fact that the Swedish consultancy trust fund is limited to the use of Swedish consultants, could be an information memo used by COOP to inform about the Swedish fund. This memo, which is a reproduction of the main points of the agreement between AfDB and BITS, contains a small but extremely crucial error. The very insignificant-looking, but all important sub-sub-paragraph containing the stipulation that only Swedish consultants can be used, has simply been omitted from this document. So the officers in the user departments who derived their knowledge about the Swedish consultancy fund from this document, would have no way of knowing about the stipulation that the consultants have to be Swedish. We have no information on how many departments or individuals inside and outside of the Bank who saw this erroneous information sheet. Nor do we have any idea how this small but crucial subparagraph could be left out of the document. There is however nothing in the general insight we have received about the work of the COOP department which would lead us to suspect any mal-intention. It must obviously have been just a slip-up. But this is nevertheless a very serious case of carelessness on the part of COOP which must be strongly criticized.

Another point of unclarity is in the exchange of letters which constitutes a formal agreement regarding the bridging arrangement of the SEK 2 million addition to the First Trust Fund. There it is stated that "The assignments shall concern individual consultants rather than consultancy firms". This is a

somewhat surprising addition which does not seem to be mentioned in any of the other agreements, nor have we found any other document which comments upon it. We are therefore not in a position to judge the relative importance - or in deed the relevance - of this stipulation.

Lack of knowledge about Swedish consultants. A point which needs to be made is that whatever the Swedish side has done to make its consultancy resource base known to the Bank it has obviously not been sufficient. Even today after the Swedish consultancy trust funds have been in place for seven years, the AfDB's procurement division, as well as most other divisions for that matter which we spoke to, complain that they lack information on Swedish consultants. They all express surprise that no initiative has been taken from the Swedish side to at least provide them with a list of Swedish consultancy firms, preferably broken down by sector. As the Swedish Foreign Ministry noted in a memo from 1988 "it is decisive for the outcome of such consultancy trust funds that the donor is active vis-a-vis the recipient countries and vis-a-vis the Bank. There is otherwise a risk that the utilization of funds will be low". This is also precisely what has happened. Many of the user departments we interviewed said that the reason they had chosen a non-Swedish consultant was simply that they had no knowledge of any relevant Swedish consultants, and that time pressure had prevented them from seeking such information. In the cases where a consultant was needed for a short mission of perhaps two weeks it was not deemed to be feasible to start looking for a Swedish consultant. The lack of knowledge about Swedish consultants is obviously also the main reason for disbursements of the funds having been very slow.

As a matter of policy regarding funds entrusted to a multilateral development bank - as much as possible of the initiative should be left with the Bank - BITS has intentionally played a rather passive role in its cooperation with the Bank. While not wanting to question this general attitude, we feel that the provision of information on the Swedish consultancy base as well as some suitable promotion of Swedish consultants is one activity which BITS should have engaged more in, for it stands out as a fundamental requirement for making the trust fund project to be successful in its most central objective, which is to promote Swedish consultancies and export interests.

Finding 16: Almost all user departments have stated that lack of knowledge about Swedish consultants has been a major reason for the slow utilization of the Swedish funds, as well as for the sometimes inability to recruit a Swedish consultant. Initiatives taken by BITS in order to make the Swedish consultancy resource base known to the Bank have not been sufficient.

In conclusion, we cannot say that the procurement procedure was generally done non-professionally. There are enough documentation as well as evidence from interviews which show that professional rules were at least usually, followed. We are therefore inclined to conclude that the reason why the departments did not always comply with the stipulations of the agreement regarding e.g. that of hiring Swedish consultants, had more to do with lack of communication between COOP and the departments (not to mention the far from perfect communication between COOP and BITS) rather than any lack of serious approach or lack of professionalism.

2.3 Accounting, Program Monitoring and disbursement

Accounting. The Bank's *Accounts Department* is responsible for keeping records of the consultancy trust funds, both concerning approvals and disbursements. Records are based on information received from COOP and disbursement orders from user departments confirmed by COOP. As soon as a new agreement is signed COOP submits a copy to the Accounts Department for recording and establishing of relevant accounts. Accounts Department thereafter enters all approvals and contracts in the books and receives in due course confirmed invoices and payment orders from the user departments for disbursement to the consultant/recipient. Accounts Department is also responsible for withdrawals from the donor for reimbursement of payments made for eligible expenditures.

The first and second Swedish trust fund agreements have been properly recorded in the books of Accounts Department. However, the MSEK 2 extension of the first agreement, made in 1991 through an exchange of letters between BITS and COOP, has never been recorded by Accounts Department. The assignments, which by COOP were considered to be allocated under the extension, were therefore recorded by Accounts Department either under the first or under the second agreement. The situation seems to have continued un-noticed in AfDB at least since 1992, in spite of the fact that COOP received regular reports from Accounts Department. A practical consequence of this omission (on the part of COOP or on the part of Accounts Department) is that SEK 2 mill remains available for new allocations - contrary to reports received by Sida/BITS that all funds have been allocated. We do not know the reason for this accounting failure, or which of the departments is responsible for the mistake.

Finding 17: The Bank has failed to record in its accounts the additional MSEK 2 grant provided by BITS in 1991, resulting in the accounts showing the Swedish consultancy fund as depleted while in actual fact there were still funds left to use for new allocations

Disbursement. Disbursement of funds from the Swedish trust funds have persistently been lagging behind. By the end of March 1996, only MSEK 15,5 out of a total allocated MSEK 27 under the two funds together had been drawn, according to AfDB accounts. An additional amount of about SEK 1,1 mill had been paid out by AfDB but not yet claimed for reimbursement.

Finding 18: Disbursement of funds has consistently lagged behind

Monitoring. In order to speed up disbursements a more regular monitoring of the program is required. In the first place COOP may consider to set a suitable time limit for each allocation within which the user department is required to procure and finalize the contract with the consultant. If a contract is not concluded within the specified time the user department should ask for an extension if the project is still on, failing which the allocation is withdrawn. A more active monitoring of COOP of on-going assignments seems to be called for as well. This will avoid the prevailing situation where allocations are not being fully used, or not used at all, blocking funds for re-allocations to other projects. The fact that COOP has in the new organization been placed under the same Vice presidency as Operations should in the future make COOP's monitoring task easier.

Our interviews with the user departments showed that there is perhaps half a dozen cases where undisbursed balances have remained on the books for a long time even though it was clear that no additional disbursements would be called for. We have reason to believe therefore that a thorough review of the allocations made against funds actually spent on each allocation would release funds for new allocations. There are cases where the allocations made have not been fully utilized although the project is considered as closed. In one case in particular the user department decided to use other funds without reporting back to COOP. In some cases the allocations have been outstanding for more than two years without being utilized because the related project has been delayed or the beneficiary country has decided to downgrade the priority of the project. We must therefore conclude that the Bank has been deficient in actively monitoring the status of each allocation in order to determine the

actual real balance of funds available for new allocations at any given time. At the same time it deserves to be mentioned however that the failures of effective monitoring reported here can not be classified as very serious shortcomings. They are of a type one can expect to find to a smaller or larger degree in any aid organization, including Sida.

Formal routines not functioning. Several routines have been in place to actively monitor the use of funds. COOP did for instance have a computerized "status of request" report which it quarterly sent to the user departments. This document looks impressive, but, given the existence of the above mentioned balances we must conclude that it apparently was not enforced in practice. COOP had also, in 1993, introduced the computerized "COOP management system" which was used to follow up on all bilateral as well as multilateral funded projects. This system, according to COOP personnel, was functioning well and was very useful, but in late 1995 it had to be abandoned for the following reasons: the software used by this system for the data-base was not the same as that eventually selected as the Bank's common software system. Furthermore the system was not compatible with the Bank's Project and Loans Management System (PALMS). Another example of a formal routine which was apparently not followed in practice could be the so called "invoice approval sheets". On several occasions efforts were made by COOP to cancel allocations made and re-allocate the funds to other projects, but these were usually met with resistance and objections from the user departments. So it is fair to say that COOP has not neglected the need for monitoring, but has for reasons both within and outside its control failed to do this effectively.

Finding 19: Even though efforts have been made, COOP has failed to effectively monitor the disbursement needs under the various allocations, resulting in funds being blocked in "passive" allocations

2.4 General efficiency of AfDB's management of the trust funds

Our overall impression both of the routines established in the COOP for managing the consultancy trust funds, as well as their actual practical operations is not such that we can confirm the many allegations that were - often implicitly - made of COOP as an inefficient administrator of the Swedish trust funds. On the contrary, regarding the basic work done by COOP, we have not found any flaws in either administrative routines or the practical work performed by COOP's officers, which could in any way be regarded as fundamental or important. The only exception to this statement would be the sub-standard filing system used in COOP's ringbinders. But this, as we were

told, is a shortcoming which COOP shares with many other departments in the AfDB.

There are many examples of good routines and responsible management which have developed within COOP. To mention one example: As the forced change of chiefs took place in COOP in November 1995, the retiring chief compiled a "Handing over notes" to facilitate the future work of the department which he himself was forced to leave. This particular document is not just a formality. It is a very well structured document of 84 pages which comprehensively and pedagogically describes every activity and responsibility of COOP. It describes all agreements in force, and all outstanding business with outside parties as well as with other departments of the bank. That such a document should be compiled when a radical change of personnel is carried out, might seem logical, but, nevertheless, it is not what one would normally expect.

As is evident from the text above however, we have found a fairly large number of things to criticize. But these have been relatively minor, and in some of the cases they have been associated with, if not actually caused by, deficiencies in the performance of the donor BITS. Furthermore, our general impression is that the shortcomings which we have noted are of a calibre which one will find in any aid organization around the world, including certainly BITS and Sida.

3. Output: Relevance and quality of reports delivered

From the introductory overview given at the beginning of this chapter it could be seen that the *output* delivered by the consultants financed under the Swedish consultancy trust fund, has been found to have been positive. Our bases for these findings are two: *Firstly*, the opinion expressed by the user department regarding the quality of the report. *Secondly*, if the report is in fact used for its intended purpose, i.e. its relevance. The results are summarized here for the second fund in table 11. We have abstained from presenting the same table for the first fund due to the fact that our specific information about the first fund is very limited.

Table 11: Second Swedish consultancy trust fund: Performance w r t quality and relevance of output delivered to the recipient

Performance rating	Number of studies
2 = "good"	14
1 = "satisfactory"	3
0 = "not satisfactory"	1
- = no information	4
n.a = study not carried out	3
Total	25

The result is in deed very positive. Of the 18 studies for which we have information, we find that 17 - or 94 % (!) - are satisfactory or good. Of these all but three have been classified as "good". Only one study has been found to be of unacceptable quality. In this case we have accepted the opinion expressed by the user department in question. The fact behind that opinion - which we have no reason not to accept - is that the Swedish consultancy firm has not delivered a final report which corresponds to all the requirements that had been posed by the contract. If and when these shortcomings are remedied it is the opinion of the department that also this report will be of good quality and relevant to the recipient.

Regarding the quality of the outputs produced under the first fund our *general* information, as was mentioned above, is that the results have been, with a few known exceptions, quite satisfactory or good.

The fact that almost all contracts awarded under the Swedish consultancy trust fund have produced reports of good quality would seem to indicate that the funds are used wisely, and that there is a sufficiently active interest on part of the user department to actively "participate" in the studies. This can be done by way of writing good terms of reference, carefully selecting the appropriate consultant, actively discussing and giving feed-back to the consultant, and in general by exercising responsible management.

A sort of guarantee that the use of the consultancy fund is responsible would seem to lie in the fact that most of the studies are actually part of the regular project cycle, and thus have a well defined role to play. In tables 6 and 7 above we found that 63 % of the studies in the first and 75% of the studies in the second fund were in fact part of the regular project cycles of different programs. Cases in point are the "EIAs", i.e. the environmental impact assessment studies, which are required under each new project. The same can

be said about the studies where the beneficiary was classified as the African Development Bank's own administration, because these studies were well defined documents required for instance by the Bank's administrative routines. An example would seem to be the study on the Bank's reorganization of its procurement system or its handbook on environment.

Both categories of studies - the ones belonging to the project cycle as well as the ones required by the Bank's administrative routines - are regularly processed through various working committees before being presented to the Board as formal basis for decisions. This process of screening ensures that the study - if not before, then at least after the user department has made its comments - is of good or at least acceptable quality. The answer seems to lie in allocating the funds for studies that play a defined role in the project cycle or regular administrative routines, and then exercise care in selecting the appropriate consultant for the job. From what we have seen in our interviews this is exactly the way most user departments have gone about it as they used the allocation given them under the Swedish consultancy trust fund.

Finding 20: The studies financed under the Swedish consultancy funds have been of good or acceptable *quality*, and *relevant* to the intended use. This has been ensured by allocating the funds largely for studies required as part of the regular project cycle or by the Bank's administrative routines

4. Effects for beneficiary of consultancy reports:

In the overview table given at the beginning of the chapter we could see that also the performance with respect to the *effects* benefitting the recipient of the reports were generally quite good. What we measure here is whether the reports have come to the intended use, and what has been its effects on the recipient of the report. The "recipient" or the "target group" of these reports are of two types: *Firstly*, projects and programs where the consultancy report in question is meant to produce some kind of analysis or background to be used as an input in further decision making. *Secondly*, there is the administration of the Bank, which needs the analysis of a consultancy report in reforming or re-organizing its administrative routines.

The result for the second fund is shown in the following table 15. For the same reason as was presented under section III:4 on *Output*, we abstain from presenting the corresponding table for the first fund.

Table 12: Second Swedish consultancy trust fund: Performance w r t *effect* taking place at the recipient

Performance rating	Number of studies
2 = "good"	11
1 = "satisfactory"	1
0 = "not satisfactory"	1
- = no information available	4
n.a = study not carried out	8
Total	25

We find that in 11 of the 13 studies carried out for which we have information the effect is classified as "good". In one case it is "satisfactory" and only in one is it "not satisfactory". Regarding the first fund we have, as was mentioned above, only general information not specific about each study individually. This general information is that the studies financed under the Swedish consultancy trust fund have produced an output which was not only of acceptable or good quality, but which has also been put to its intended use, thus giving rise to a positive *effect*.

Our findings here are based on fairly detailed interviews with the various user departments, where we tried to determine if and to what extent the respective consultancy reports - which as we saw above, were generally found to be of good quality - had actually been put to the intended use at the recipient project or program. Often the report had been presented as input for decisions made either by the Bank's Executive board or by some working committee. And in such a case we can by definition say that the report was actually *put to use*, which is our criterion for this level of the goal hierarchy. In other cases the consultant's report had "exercised its effect" by being presented and discussed at a seminar or a conference. Also in such cases the report must be deemed to have come to use. In other words the report has had an *effect*.. The opposite would have been the case if the report had - after being submitted to the AfDB - just been lying on the shelf "collecting dust". In that case it would not have mattered whether the *Output*, i.e. the quality and relevance of the report, would have been good or bad. It would still score 0 in terms of *effect*.

The argument presented in the section above on *output* that the fact that the report is integrated either in the project cycle or in the administrative requirements of the Bank usually vouches for the quality of the report being good, can with equal force be applied here where we measure the *effect* of the report. It is only natural that if the Swedish consultancy funds are allocated to studies which are needed as integral parts of project cycles or administrative needs, these reports will, with a large likelihood, also be put to the intended use, and therefore be able to "produce" its *effects*.

Projects not materializing. A special problem is how to classify performance w r t *effect* in those cases where the project, which the consultancy report is meant to analyze, is not materializing for reasons *other* than the conclusions emanating from the consultancy report. In the Second fund we have eight such cases, which in the table have been denoted by *n.a.* ("not applicable"). In these cases the consultancy report obviously has *not* had a chance to exercise any effect, since it has already been decided not to go ahead with the project for other reasons. Usually these other reasons have simply been lack of funds. However, in one case - Rwanda - the study could not go ahead because of the security problem. The criteria whether the study in these cases should receive a performance rating regarding *effect* of "o" (*non satisfactory*) or "*n.a.*" (*not applicable*) would seem to depend on the question whether one could have foreseen, at the time of contracting the study, that it might not be needed because the project might be discontinued for other reasons (than the analysis provided by the consultancy report in question). In other words, if a user department had reason to suspect that the project in question would, with some likelihood, be discontinued before they have even had a chance to present the consultancy report as an input into the decision making process regarding the project's future, then presumably one should criticize the department for launching the study, at least at this time. The more realistic situation seems however to have been the following: the department knows that lack of funds *may* lead to a decision not to go ahead with the project. But since it is not *sure* that this will happen, they have no choice but to go ahead with the study, because if the project cycle proceeds as planned then the consultancy report in question *will be* needed. And in that situation there can be no excuse that "we did not do the study because we were not sure that it would be needed".

In the eight cases we have under the second fund where projects or project proposals have been decided to be scrapped *before* the department had a chance to send the report financed by the Swedish funds to the board, we have not found any case where the department would have been justified in not going ahead with a study which everyone felt was needed. So the fact that the consultancy reports financed under the Swedish funds could not exercise their *effects* in these cases we feel can not be blamed on the respective user departments.

In hopefully most of the cases the reports can still be "salvaged" if and when a

decision is taken to take up the projects again. Our discussions with the user departments showed that in most cases the same report - with proper revisions and additions because of the passage of time - could be utilized even after a year or so. In some of the cases however it was felt that the report would have to be done all over again from scratch.

Finding 21: The consultancy reports financed under the Swedish consultancy trust funds have, to an overwhelming degree, been put to the intended use, and have thus achieved their intended *effects*.. The fact that the majority of the Swedish funds have been allocated to consultancy reports which are needed as integral parts of the regular project and program cycles, or reports which serve the direct needs of the Bank's aid administration, actually ensures that the money has been well spent.

5. Effects w r t the objective of promoting Swedish consultancies

-

Altogether 18 Swedish consulting firms, consultants and individual experts have received one or more assignments under the two trust fund agreements according to the list of allocations and disbursements provided by AfDB. Four consulting firms have received between two and four contracts. Representatives from 11 of these companies have been interviewed regarding their experience from the cooperation with the AfDB in general and about the question if the first contracts have led to further invitations to bid and subsequent assignments.

In a majority of the cases the cooperation is reported to have gone well. Bidding and contract negotiations phases have followed normal patterns, and the contracts have in general been received in competition with other Swedish bidders. Complaints that have been raised relate to difficulties with communication, long delays in receiving comments to reports and answers to correspondence in general. Special mention has been made by all of the interviewed consultants of late, sometimes very late, payments for invoices after concluded work. In a couple of cases there were still outstanding issues, which prevented final payments to be effectuated. The Swedish consultants

however also said that they found the Bank to be a tough negotiator set on getting the best prices possible for the Bank.

Finding 22: Several of the Swedish consultancy firms complained about late payments and long delays in receiving answers to letters. But they also found the Bank to be a tough negotiator seeking to negotiate the best possible deal for the Bank.

Follow-up assignments from other AfDB funding sources. In none of the interviewed cases have the consultants, following the assignment within the trust fund arrangement, actually received a contract from AfDB financed by some other source than the Swedish funds. Several of them report, however, that they from time to time receive inquiries, often relating to individual experts. The prospects for a Swedish consultant of winning a contract from AfDB, financed from other sources than the Swedish trust funds, are for natural reasons quite limited. As was described above in Chapter II:3, almost all of the funds provided by donor countries are tied to procurement of consultants from the donor country itself and hence not available for consultants of other countries. The funds available to AfDB for procurement on an untied basis are extremely limited. Furthermore, to the extent that AfDB has own resources at all to use for studies it is likely that priority will be given to hire consultants from the member states, partly for cost reason but also for policy reasons

Studies financed under AfDB and AfDF loans. As regards consulting services procured directly under AfDB and AfDF loans, there is at least a theoretical chance for Swedish consultants to conquer such contracts. But also here chances in general must be seen as quite small. These procurements are handled by the borrowers themselves or their agencies with application of the guidelines for the use of consultants issued by AfDB. According to these guidelines procurement shall be made according to limited competitive bidding (based on a short-list) among qualified consultants from member countries. Swedish consulting firms are thus eligible for receiving invitations to bid on these contracts as Sweden is a member country. At the same time the guidelines state that priority should be given to hire consultants and consulting firms from African member states provided they are at least equally qualified as bidders from other member states. In order for Swedish consultants to be invited to bid for these assignments they therefore need to be known to the actual borrower. Only on request by the borrower is AfDB giving names of

potential consultants to invite for quotations. The borrowers are required to submit documentation on the procurement procedures applied and their selection of consultant to AfDB for approval before finalizing the contract.

Conclusion. Regarding the objective of the Swedish consultancy trust funds to promote the chances of Swedish consultants to get additional contracts from the AfDB financed from other sources than the Swedish trust funds themselves, we must therefore conclude that such chances - seen in a *direct* sence - are very small in deed. Seen however in a much broader and long-run perspective, there is no reason to believe that the exposure to African affairs which Swedish consultants receive through the assignments financed under the Swedish funds, would not lead to an enhancement of the future chances of Swedish consultants. But such long run and broad effects are difficult to prove, and in any case outside the scope of the present evaluation.

Finding 23: Given the tied nature of almost all funds available to the AfDB for financing consultancy studies it is highly unlikely to expect that the existence of the Swedish consultancy trust funds could in any direct sence promote the chances of Swedish consultants to receive follow-up assignments from the African Development Bank financed outside of the Swedish funds. This however does not mean that the exposure to African affairs received by Swedish consultants through assignments financed under the Swedish funds could not enhance their future chances in Africa in a broader and more long run perspective.

6. Effects w r t the objective of promoting Swedish export interests

We have not been able to identify any case where the consultancies have led to export orders for Swedish goods. Given the nature of the studies mostly financed under the Swedish consultancy trust funds, one should perhaps not expect any such immediate export effect. Most of the studies have - although part of the normal project cycle of different projects - been evaluations studies, project completion reports, general sector studies as well as some seminars and work shops, not directly connected to the investment phase of projects. Only a limited number of the assignments were actually related to project preparation or design work where Swedish suppliers of goods and

equipment could be at advantage in relation to competitors due to the involvement of Swedish consultants in the project preparation phase. Referring to what was said above about promoting Swedish consultancies in a broader and more long-run sense, a similar reasoning can perhaps be applied also here. Namely, that the exposure to Swedish experts and firms, which the recipient countries get through the consultancy studies financed under the Swedish trust fund, may in the long run enhance the competitive position of Swedish exporters of goods and equipment.

Finding 24: The Swedish trust fund for consultancies has not had any appreciable effect in promoting Swedish exports of goods and equipment. This is also not to be expected given the fact that most of the studies financed were evaluation and sector analysis reports, not related to the investment phase of the different projects. This does not rule out that the existence of a Swedish trust fund for consultancy studies may - through the exposure of Swedish firms and experts to the recipient governments - have a long term beneficial effect on Swedish exports.

IV SUMMARY OF FINDINGS

Finding 1: The filing system of COOP (the department responsible for the consultancy trust funds) is of unacceptably low standard.

Finding 2: BITS' (Sida's ?) filing system leaves much to be desired as it is not able to locate the files covering over a third of the activities financed by the Funds.

Finding 3: AfDB has apparently failed to furnish BITS with much of the agreed documentation of general nature, such as e.g. half yearly reports etc., and BITS on its part, has during the seven years since the start of the program, apparently failed to remedy this situation

Finding 4: An overwhelming majority of the allocations under both Funds have been to uses which conform exactly with the requirements of the agreement

Finding 5: There has (at times) been a mismatch in expectations between BITS and AfDB regarding which role BITS should play in selecting between alternative uses of Funds

Finding 6: BITS has, in apparent breach of the intentions of the agreement, agreed to finance a long-term expert in the Bank, thereby using up almost 15 % of the second Fund

Finding 7: BITS has been fairly liberal in granting exemptions from the general criteria for allocating funds

Finding 8: Requirements regarding *basic* project reporting from AfDB to BITS, including seeking of approvals for allocations, seem to have been ful-filled satisfactorily

Finding 9: BITS requirements w r t receiving reports and documentation was, especially under the first agreement, overambitious and unrealistic

Finding 10: Cooperation between COOP and the user departments has on the whole functioned, but there is room for improving and streamlining the process.

Finding 11: Although difficult to prove with documentary evidence, there is

reason to believe that acceptable rules and procedures for procurement have been followed in the majority of cases.

Finding 12: Measured in value terms an overwhelming majority of the funds have been used so as to satisfy the fundamental objective of procuring Swedish consultants

Finding 13: Although not important in the total amount of funds used, an alarmingly large number of the procurements have been in violation of the agreements. Under the second fund as many as perhaps half of the 25 contracts were not in compliance with the stipulations of the agreement

Finding 14: The procedure used by which BITS approved allocations has not been able to detect some illegitimate contracts

Finding 15: The confusing way in which the requirement that consultants must be Swedish has been written into the agreement may explain some of the failures to adhere to the agreement in this respect.

Finding 16: Almost all user departments have stated that lack of knowledge about Swedish consultants has been a major reason for the slow utilization of the Swedish funds, as well as for the sometimes inability to recruit a Swedish consultant. Initiatives taken by BITS in order to make the Swedish consultancy resource base known to the Bank have not been sufficient.

Finding 17: The Bank has failed to record in its accounts the additional MSEK 2 grant provided by BITS in 1991, resulting in the accounts showing the Swedish consultancy fund as depleted while in actual fact there were still funds left to use for new allocations

Finding 18: Disbursement of funds has consistently lagged behind

Finding 19: Even though efforts have been made, COOP has failed to effectively monitor the disbursement needs under the various allocations, resulting in funds being blocked in "passive" allocations

Finding 20: The studies financed under the Swedish consultancy funds have been of good or acceptable quality, and relevant to the intended use. This has been ensured by allocating the funds largely for studies required as part of the regular project cycle or by the Bank's administrative routines

Finding 21: The consultancy reports financed under the Swedish consultancy trust funds have, to an overwhelming degree, been put to the intended use, and have thus achieved their intended effects. The fact that the majority of the Swedish funds have been allocated to consultancy reports which are needed as

integral parts of the regular project and program cycles, or reports which serve the direct needs of the Bank's administration, actually ensures that the money has been well spent.

Finding 22: Several of the Swedish consultancy firms complained about late payments and long delays in receiving answers to letters. But they also found the Bank to be a tough negotiator seeking to negotiate the best possible deal for the Bank.

Finding 23: Given the tied nature of almost all funds available to the AfDB for financing consultancy studies it is highly unlikely to expect that the existence of the Swedish consultancy trust funds could in any direct sense promote the chances of Swedish consultants to receive follow-up assignments from the African Development Bank financed outside of the Swedish funds. This however does not mean that the exposure to African affairs received by Swedish consultants through assignments financed under the Swedish funds could not enhance their future chances in Africa in a broader and more long run perspective.

Finding 24: The Swedish trust fund for consultancies has not had any immediate and appreciable effect in promoting Swedish exports of goods and equipment. This is also not to be expected given the fact that most of the studies financed were evaluation and sector analysis reports, not related to the investment phase of the different projects. This does not rule out that the existence of a Swedish trust fund for consultancy studies may - through the exposure of Swedish firms and experts to the recipient governments - have a long term beneficial effect on Swedish exports.

V RECOMMENDATIONS

Clear and simple agreement

Sida should in its future agreements regarding consultancy trust funds strive to have a simple agreement with straight-forward rules, which are straight-forwardly presented so as to be readily understood also by a non-legal expert, clearly stating eligibility with respect to type of study, and nationality of consultant.

Mandate for implementation

AfDB should - within the realms of the agreement - be given an unrestricted mandate to implement the targets of the trust funds without having to ask for Sida's authorization for each procurement.

Sida's control

Sida's control would be exercised ex post, based on verification of half-yearly project reports. The allocations granted by Sweden could be divided in three or four *tranches* so as to allow the donor to curtail disbursements in the event of non-compliance with agreed implementation principles.

Reporting requirements

A simpler, more standard required reporting routine, which is also more easily enforceable, should be agreed upon. Compulsory monitoring items are *purpose* of study, contract *amount*, and *nationality* of consultant.

BITS' Sida's archives

The present project is not the only one where available BITS files have *not* contained important documentation. Often it has not been possible to ascertain which of the below cases applies regarding missing documentation: (1) the document does not exist because it was never produced; (2) the document exists, but was never sent to BITS/Sida; or (3) the document exists, it was sent to Sida, but cannot be found.

It is thus recommended that Sida undertake an inventoriating of its old BITS

files with a view to making it more accessible.

Coop's monitoring of allocations

The Bank's Cooperative department needs to work out a simple and functioning internal monitoring routine, that will allow it to determine which outstanding allocations are actually resulting in contracts being signed, so as to avoid blocking funds unnecessarily.

The Bank's monitoring of disbursements

Likewise the Bank needs to implement a simple monitoring system that will allow Coop to determine the actual final need of funds under each contract, so as to avoid blocking unused balances.

Up-dated roster of Swedish consultants

To facilitate the AfDB's use of Swedish consultants. Sida should prepare and supply the AfDB with an up-dated roster of Swedish consultants in different areas.

Relying on the assistance of the Nordic-Swiss Executive Director Sida should also make sure that this roster is available - in operational form - at the relevant departments of the AfDB.

Annex 1

Acknowledgements

We are very grateful to all of the persons listed in *Annex 2* for agreeing to meet with us and be interviewed. In most cases these interviews took place with very short notice, in fact often there was no notice at all. Nevertheless we were always received courteously and provided with answers to our questions in an efficient and forthcoming manner.

Especially we are grateful to COOP's Chief Mr *D. L. Mutalemwa* and his program officer Ms *Halima Ouattara* for, during an intensive week of interviewing and file analysis, really going out of their way to make our work possible. Thanks to them we were able to conduct, in a short time, interviews and file study covering almost 50 different projects.

A special thanks is also due COOP's former Head Mr *Jituboh* and its former Division Chief Mr *Groga*, who both, even though they have left the Bank, graciously agreed to give of their time for lengthy interviews.

The Nordic Executive Director Ms *Inga Bjork* was invaluable in helping to arrange meetings, as well as sharing her insight and analysis of the Bank, as did also Sweden's Ambassador *Bo Wile'n*. To both we are very grateful. Finally, we wish to thank Sidas responsible officer Mr *Johnny Andersson*, who was consistently forthcoming in facilitating access to documents, arranging logistics, and, importantly, sharing his knowledge of the Bank.

Annex 2:

PERSONS METAfDB

Andersen, Steen	Controller, budgetary issues
Awl, Mr	Director OCDS
Barry, A. M.	Financial analyst, OCDC
Björk-Klevby, Inga	Executive director, Ambassador
Bongjoh, Felix	Ph.D., Senior education analyst, OCDC
Cisse, Mr	Programme officer
Coulibaly, Moussa	Dr. M.D., Health expert, OCDC
Cressman, Russel	Chief OCDW-5 (Human Resources)
Dualeh, A. M.	Principal cooperation officer, COOP
Doumbia, Massa	Power engineer, OCDC
El-Bakri, Dr. Z. B.	Chief OCDN (Human resources)
Fikru, Mr	Programme officer
Georgis, Mr	Programme officer
Groga, E.	Former Chief COOP
Hamer, Alice	Chief, OCDS - Human Resources
Ibrahim, Mr	Programme officer
Jituboh, A.I.	Former Director COOP
Kamoun, Mr	Programme officer
Kufakwandi, Frank, S.	Senior forestry expert, OESU
Kailembo, R. N.	Country Programme Officer, South Region
Kane, Ousmane	Chief Procurement division
Kariisa, Gabriel M B	Director Operations evaluations
Kayizzi-Mugerwa	Senior planning economist, FPOP
Kifle, Mr	Director African Development Institute
Lekorchi, Driss	Senior Civ. Eng., Projects Officer, OCDC-2
Lomo, Mr	Programme officer
Lymon, H. L.	Senior irrigation engineer, OCDE-2
Manai, Mohammed, Hedi	Financial analyst, Operations evaluations, OPEV
Mbesherubusa, Gilbert	Chief Infrastructure and Industry, Region East
Mensa-Quano	Procurement
Mohlinger, Burkhard	Engineer, Infrastructure & Industry Division, North region
Mondeil, Mr	African Development Institute
Mpanda, Mr	Programme officer

Muchenje, W	Dr.P.H, Senior health analyst, OCDE-3
Mutalemwa, Deo L.	Chief OCPU
Mwaikinda, Mr	OCDW
Namakando, Mr	OCDW
Nat, Mr	Accounting Department
Ndiaye, Mr	Programme officer
Ngong, Vivianus, S.	CEP coordinator, OESU
Ngosso, Mr	Director OCDE
Nyami-Massah	OCDS
Oumar, A. W.	ESDU, Environment
Ouattara, Halima	Project coordinateo, Cooperative Department
Rigoulot, Mr	OCDC
Salam, Abdou	Principal transport economist, Infrastructure & Industry
Sangaje, Mr	Programme officer
Sangowawa, Mr	Vice president Operations
Scott, Ms	OCDS
Situmbeko, Mr	OESU
Youssuf, Mohammed	Senior Health expert, Country department, South region

Others

Wile'n, Bo	Swedish Ambassador to Côte d'Ivoire
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Sida

Andersson, Johnny	Sida, Infrastructure division, Project manager
Pihlgren, Gunnar	Sida, Infrastructure division, Adviser

Annex 3:

TERMS OF REFERENCE

Evaluation of Sida/AfDB Consultancy Trust Fund

1. Background

1.1 In August 1989 BITS entered into an agreement with the African Development Bank (AfDB) on a Consultancy Trust Fund to enable the Bank to contract Swedish services for assignments, such as project preparation, appraisal, supervision and evaluation.

1.2 The initial BITS contribution amounted to SEK 10 million. The fund was replenished in 1991 in the amount of SEK 2 million and, in April 1993 a new agreement was signed in the amount of SEK 15 million. The total contribution thus amounts to SEK 27 million of which by the end of 1995 SEK 17 million had been transferred to the Bank.

1.3 Accounts of the assignments financed through the Trust Fund as of December 31, 1995 are attached (Appendices.....).

1.4 On 1st July 1995, BITS merged with SIDA, SwedeCorp and SAREC into a new organization called the Swedish International Development Cooperation Agency (Sida). The new organization has taken over all responsibilities of BITS with regard to the Trust Fund.

1.5 The following countries have Trust Fund Agreements with the bank: Finland, Netherlands and Sweden.

2. Justification for and Objectives of the Evaluation

2.1 BITS/Sida has been cooperating with the AfDB through contributions to the Consultancy Trust Fund since 1989. Experience has been gained by the Bank both at the level of administering the Trust Fund and at the level of the Operational Departments with regard to the use of the services financed by the Trust Fund. In order to fully draw on these lessons learned for the assessment whether new modalities are called for to improve the efficiency and effectiveness of the Trust Fund, Sida has decided to carry out an evaluation of the benefits and possible short falls of the Trust Fund cooperation.

3. Scope of Work

3.1 Based on materials available at Sida, discussions with consultants contracted by the Fund, meetings with relevant parties at the ADB Headquarters in Abidjan, visits to one or two of the recipient countries and by studying recent

reports and studies the evaluation shall:

- (a) describe and make a general assessment of the relevance, impact and cost-effectiveness of the Swedish financed services and inputs through the Consultant Trust Fund;
- (b) assess the efficiency of the Trust Fund as an instrument for drawing on Swedish expertise in demand by the AfDB for identified tasks;
- (c) assess operational lessons learned;
- (d) suggest any improvements of the mode and modalities of the Trust Fund taking into consideration rules and procedures of the AfDB and the stipulations of the agreements signed between the AfDB and BITS/Sida in respect of the Trust Fund.
- (e) assess the special situation in the bank during the time of the Trust fund Agreements and the implications this might have had on the efficiency/ operations of the fund.

Particular attention and assessment shall be made with regard to (i) follow-up by the AfDB of the services/assignments financed through the Trust Fund, (ii) the competitiveness of Swedish consultants, (iii) the utilization of the Trust Fund compared to those of other similar facilities available to the AfDB and any remarks in this respect, and (iv) the extent to which Fund financed assignments has led to follow-up assignments for Swedish consultants with AfDB, with or without financing through the Trust Fund, (v) the extent to which assignments financed by the fund has led to any procurement of Swedish goods and services financed by loans from AfDB/AfDF.

4. Reporting

The report, in English and in accordance with the Standardized Format as described in the Sida Evaluation Manual 1994, shall be presented to Sida in draft within two weeks after the completion of the visit to Abidjan. The final report shall be submitted to Sida within one week after Sida has commented on the draft report. Sida will share the final report with the AfDB.

The report shall be written in WP 6.1 for MS-DOS or a compatible program and formatted in A4.

In addition to the report, the consultant shall write a short summary in English to be published in Sida Evaluations Newsletter, and fill in a Questionare for the UTV database.

Sida Evaluations - 1996/97

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Department for Central and Eastern Europe
- 96/37 The Opening of the two Road Corridors in Angola. C H Eriksson, G Möller
Department for Infrastructure and Economic Cooperation
- 96/38 Statistikproduktion i Nordvästra Ryssland. Lennart Grenstedt. Also available in Russia
Department for Central and Eastern Europe
- 96/39 Sri Lankan - Swedish Research Cooperation. Nimal Sanderatne, Jan S. Nilsson
Department for Research Cooperation, SAREC
- 96/40 Curriculum Development in Ethiopia, A Consultancy Study for the Ministry of Education in Ethiopia and for Sida. Mikael Palme, Wiggo Kilborn, Christopher Stroud, Oleg Popov
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Department for Infrastructure and Economic Cooperation
- 96/43 Botswana Road Safety Improvement Projects. Rob Davey
Department for Infrastructure and Economic Cooperation
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Department for Democracy and Social Development
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- 96/46 Support to the Maritime Sector in Lithuania. Nils Bruzelius
Department for Central and Eastern Europe
- 96/47 Local Development Programme in Nicaragua, PRODEL. Irene Vance, Jorge Vargas
Department for Infrastructure and Economic Development
- 96/48 The Planta Nicaragua Rehabilitation Programme. Consulting Services. Judith Muller, Per-Johan Svenningsson
Department for Infrastructure and Economic Development
- 96/49 Sida Support to the International Institute for Educational Planning, IIEP. Peter Williams, Lees Maxey
Department for Democracy and Social Development
- 96/50 The Human Factor. Cooperation in Public Administration between Sweden and Mongolia. Lennart Peck, Marianne Hultberg
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