

Validation Report
August 2021

Bangladesh: Participatory Small-Scale Water Resources Sector Project

Reference Number: PVR-794
Project Number: 39432-013
Loan Number: 2542



Raising development impact through evaluation

ABBREVIATIONS

ADB	– Asian Development Bank
EIRR	– economic internal rate of return
GAP	– gender action plan
Ha	– hectare
IFAD	– International Fund for Agriculture Development
IWRMU	– Integrated Water Resource Management Unit
LGED	– Local Government Engineering Department
O&M	– operation and maintenance
PCR	– project completion report
PMO	– project management office
WMCA	– water management cooperative associations

NOTE

In this report, “\$” refers to United States dollars and “Tk” refers to Bangladesh Taka.

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PROJECT BASIC DATA

Project number	39432-013	PCR circulation date	28 Dec 2020	
Loan number	2542	PCR validation date	Aug 2021	
Project name	Participatory Small-Scale Water Resources Sector Project^a			
Sector and subsector	Agriculture, natural resources and rural development	Agricultural drainage Agricultural policy, institutional and capacity development Irrigation Rural flood protection		
Strategic agenda	Environmentally sustainable growth			
Safeguard categories	Environment		B	
	Involuntary resettlement		B	
	Indigenous peoples		B	
Country	Bangladesh		Approved (\$ million)	Actual (\$ million)
ADB financing (\$ million)	ADF: 0.00	Total project cost^a	119.80	96.42
	OCR: 55.00	Loan	55.00	44.74
		Borrower	29.05	25.38
		Beneficiaries	3.75	0.00
		Others	0.00	0.00
Cofinanciers	IFAD	Total cofinancing^b	32.00	26.30
Approval date	4 Sep 2009	Effectiveness date	9 Dec 2009	12 Nov 2009
Signing date	10 Sep 2009	Closing date	30 Jun 2018	30 Jun 2018
		Financial closing date	-	19 Nov 2020
Project officers	Y. Sadia Siddiqi Z. Uddin Ahmed	Location	From Nov 2009	To Feb 2011
		ADB headquarters Bangladesh Resident Mission	Feb 2011	Apr 2020
IED review Director	N. Subramaniam, IESP			
Team leader	S. Takahashi, Evaluation Specialist, IESP ^c			

ADB = Asian Development Bank, ADF = Asian Development Fund, IED = Independent Evaluation Department, IESP = Sector and Project Division, IFAD = International Fund for Agricultural Development, OCR = ordinary capital resources, PCR = project completion report.

^a Based on the PCR Project Data (table C pages iii-iv) that includes interest during construction costs.

^b With external financing from IFAD under loans 8248 and 8250.

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I. PROJECT DESCRIPTION

A. Rationale

1. About 80% of the population of Bangladesh lived in the rural areas where poverty rate was high at 53% of the rural population.¹ Agriculture, which accounted for about 60% of employment, was the country's main economic activity. Improvements in agricultural production were expected to enhance the economic well-being of the population and help in reducing the incidence of rural poverty.

¹ ADB. 2009. *Report and Recommendation of the President to the Board of Directors: Proposed Loan to Bangladesh for Participatory Small-Scale Water Resources Sector Project*. Manila.

2. Increasing agricultural production mainly depended on improving the country's water resources regime. This required reducing flood and inundation during the monsoon season and providing irrigation water during the drier months of the year. Water resources schemes were mostly small-scale and locally constructed and managed. There were two levels of institutional responsibility for water resources schemes. The first type of schemes that covered 1,000 hectares (ha) or more of water resources was the responsibility of the Bangladesh Water Development Board.² The second type, consisting of the majority of the water resources schemes and covering less than 1,000 ha, was under the local government units and supported by the Local Government Engineering Department (LGED) of the Ministry of Local Government Rural Development and Cooperatives.

3. Efforts to improve the small-scale water resources infrastructure began in the mid-1990s with the Small-Scale Water Resources Development Project.³ The project's results provided an impetus for further investment in 2001.⁴ Approved in 2009, the Participatory Small-Scale Water Resources Project was the third project aimed at strengthening water users' participation in helping improve the sustainability of small-scale water resources schemes.

4. The project was designed to finance a range of small-scale subprojects for flood management, drainage, water conservation, surface irrigation, and command area development. Initially, the project was to develop 230 new subprojects in 43 of 64 districts throughout the country. This was expanded to 270 new subprojects in 61 districts after the approval of additional cofinancing from the International Fund for Agricultural Development (IFAD) in 2010. In addition, the project was to cover the improvement of 150 subprojects already developed under the first two projects. Since a large number of subprojects were to be financed, a sector modality was chosen to implement the project. Three subprojects—two for drainage and flood control and one for irrigation command area development—were presented as sample subprojects during project preparation. Subsequent subprojects were subjected to due diligence during the implementation period. The project was financed by funds from the Government of Bangladesh, a loan from the Asian Development Bank (ADB), and two loans from IFAD.

B. Expected Impacts, Outcomes, and Outputs

5. The project's envisaged impact was enhanced productivity and sustainability of agriculture in subproject areas. Its expected outcome was sustainable small-scale water resources management systems in subproject areas. There were three targeted main outputs: (i) institutional strengthening of government agencies at all levels that supported small scale water resources development, (ii) participatory subproject development through the refinement of the subproject development process for sustainable water management cooperative associations (WMCA), and (iii) small-scale water resources infrastructure construction and maintenance.

C. Provision of Inputs

² Government of Bangladesh. 2000. *Bangladesh Water Development Act, 2000*. Dhaka.

³ ADB. 1996. *Small Scale Water Resources Development Project*. Manila.

⁴ ADB. 2001. *Second Small Scale Water Resources Development Sector Project*. Manila.

6. The project was approved by ADB in September 2009 and became effective shortly after. It was completed in June 2018 as expected at appraisal.⁵ The project's total estimated cost at appraisal was \$107.3 million. In April 2010, IFAD approved an additional financing of \$10.0 million and the government also increased its counterpart share from \$26.6 million to \$29.1 million. The total cost increased to \$119.8 million as a result of these additional financing. The revised financing plan consisted of \$55 million from ADB, \$32 million from IFAD, \$29.1 million from the Government of Bangladesh, and \$3.7 million from the beneficiaries. At completion, the actual project cost stood at \$96.42 million (80.5% of the revised cost). ADB's share was \$44.74 million (46.4%), IFAD's share was \$26.30 million (27.3%), and the government's part was \$25.38 million (26.3%).⁶

7. The report and recommendations of the President, the project implementation memorandum, and the project completion report (PCR)⁷ did not indicate the number and breakdown of planned and actual person-months of consulting services.⁸ The PCR indicated that out of the \$7.14 million budget for consulting services at appraisal, \$6.52 million was disbursed. It indicated that the project implementation consultant's mobilization was delayed by 10 months. Also, the recruitment of the consulting firms for participatory rural appraisal, feasibility study, and detailed design was delayed by 15 months due to a change in the procurement method from quality- and cost-based to single-source selection.

8. The project was classified category B for all safeguards— environment, involuntary resettlement, and indigenous peoples. Since the project's physical works were small-scale and undertaken to upgrade existing schemes, environmental impacts were minimum. Similarly, in view of the small-scale nature of its subprojects, extensive land acquisition was not carried out. A gender action plan (GAP) was prepared since the project was categorized to have a gender equity theme. The LGED designated one senior assistant engineer from the project management office (PMO) as the gender focal person to facilitate the implementation of the GAP. The project engaged a gender specialist for 74 person-months for developing training modules, conducting training for trainers, and monitoring and supervising GAP activities, including the preparation of progress reports.

D. Implementation Arrangements

9. The executing agency was the LGED, which established a PMO in Dhaka and 10 regional offices as intermediaries of its district offices. The actual scheme selection and development was undertaken at the district level after the establishment of WMCAs by the intended beneficiaries. Nongovernmental organizations were recruited for the task of beneficiary mobilization. The Department of Cooperatives, Department of Agricultural Extension, and Department of Fisheries provided extension support to build the production capacity of the beneficiaries under the agreements signed with the LGED. These arrangements proved appropriate as no change in the implementation arrangements was required. All loan covenants

⁵ The first IFAD loan (loan 8248) was approved in November 2009 and was completed in December 2017. The second IFAD loan (loan 8258) was approved in October 2010 and was completed in December 2018.

⁶ IFAD. 2010. *People's Republic of Bangladesh Supplementary Loan for the Participatory Small-scale Water Resources Sector Project*. Rome.

⁷ ADB. 2020. *Completion Report: Participatory Small Scale Water Resources Development Sector Project in Bangladesh*. Manila.

⁸ Except for the project implementation consultant (PIC) on a time-based contract, all other consulting contracts were output based, and the breakdown of actual person-months of consulting services was not applicable. ADB (South Asia Department). 2021. *Interdepartmental Review on the Draft Project Completion Report Validation on Participatory Small-Scale Water Resources Sector Project*. 08 June (internal).

were complied with, including those on finance, counterpart funding, subproject selection, land acquisition, environmental compliance, monitoring and reporting, and GAP implementation.

II. EVALUATION OF PERFORMANCE AND RATINGS

A. Relevance of Design and Formulation

10. The PCR rated the project highly relevant. At appraisal, the project was in line with the government's development strategy for poverty reduction.⁹ It was consistent with ADB's Country Strategy and Program for Bangladesh 2006–2010,¹⁰ which had sustainable economic growth and improving rural infrastructure and irrigation as a strategic focus. At completion, the project was aligned with the government's plan and ADB's strategies. The government's Seventh Five-Year Plan 2016–2020 supported the small-scale water resources development. ADB's Country Partnership Strategy Bangladesh 2016–2020 prioritized food and water security through integrated water resources management and resilient infrastructure.¹¹ ADB's Strategy 2030 placed considerably greater emphasis on agriculture and rural development through water resources development.¹² After the project appraisal, when additional cofinancing by IFAD was approved, the project scope was expanded and the DMF was revised accordingly.

11. An important aspect of project design was the promotion of participatory involvement of beneficiaries in the selection and implementation of water resources schemes through the formation of the WMCAs.¹³ Also incorporated into the design was (i) strengthening of the capacity of the local government agencies such as the LGED and the Department of Cooperatives; (ii) promotion of agricultural and fisheries extension services; and (iii) strengthening organizational units within the LGED and the WMCAs to carry out O&M. The validation notes that institutional strengthening was an important achievement since it had been a challenge in Bangladesh for individual ministries to work in an integrated manner.

12. The PCR noted that the agricultural extension program brought about transformational effects in changing cropping patterns, diversifying agriculture, and increasing productivity and cropping intensity. However, this validation notes that these changes were reasonably expected from this type of project, which usually required other complementary interventions (e.g., microfinance, improved transport access). The project had a gender-positive orientation, which improved the role and capacity of women participating in the water resources scheme improvement activities.

13. The validation notes that the intended project outcome was aligned with country development priorities and ADB strategies. Although the project had a sound results chain, the project's design did not fully demonstrate innovative features. On the whole, this validation assesses the project relevant.

⁹ Government of Bangladesh Planning Commission. 2008. *Moving Ahead: National Strategy for Accelerated Poverty Reduction II (FY2009–FY2011)*. Dhaka.

¹⁰ ADB. 2005. *Country Strategy and Program for Bangladesh: 2006–2010*. Manila.

¹¹ ADB. 2016. *ADB's Country Partnership Strategy for Bangladesh: 2016–2020*. Manila.

¹² ADB. 2018. *Strategy 2030: Achieving a Prosperous, Inclusive, Resilient and Sustainable Asia and Pacific*. Manila.

¹³ Another feature of the project design was the use of community contracts for basic earthworks and construction activities (such as the excavation of drainage canals and the construction of embankments). This allowed the local population to form labor-contracting societies that could participate directly in the project works and earn income directly from the project.

B. Effectiveness in Achieving Project Outcomes and Outputs

14. The PCR rated the project effective. The first outcome indicator regarding increased crop production exceeded its target. By 2017, cereal crop production reached over 1,055,000 tons (target: 760,000 tons) and other crop production over 511,000 tons (target: 431,000 tons). The second outcome target was nearly achieved. WMCAs were formed in 412 subprojects (target: 420); comprising 265 new and 147 enhanced subprojects.¹⁴ Memberships of the WMCAs were 37.1% female (target: 33.3%).

15. Under output 1, three indicators were achieved, namely, the creation of budgeted posts in the LGED regional offices, effective monitoring and evaluation report preparation, and gender awareness training; and one indicator, the provision of regular institutional support to the WMCAs, was nearly achieved. Under output 2, two indicators (the mobilization and maintenance of O&M funds by the WMCAs) were achieved and three (the number of WMCAs registered and the number of WMCAs audited, and the submission of funding requests) were nearly achieved (since the first two indicators on the maintenance and mobilization of O&M funds had a bearing on sustainability, a further discussion on these is available in the sustainability section). Under output 3, two indicators were nearly achieved: 412 small-scale rural infrastructure schemes were improved (target: 420), and the completed 412 subprojects had a command area of 220,000 ha (target: 225,500 ha).

16. The initial environmental examinations, including an environmental management plan, were prepared for 265 subprojects. The project did not cause significant negative environmental impacts. For social safeguards, the project used land lease agreements to avoid land acquisition. Thus, land acquisition was triggered in only two subprojects affecting nine households for 0.17 ha of land. The PCR noted that the impact on the affected people was less than 10% impact of their income and livelihood. The GAP had three activities and 15 quantitative targets, of which 93% were achieved. At completion, women comprised 37.1% of the WMCAs membership including the participation of poor women, 33% of the WMCA management committees, and 33% of the O&M committees for water resource management. The project outcome targets and outputs were substantially achieved. This validation assesses the project effective.

C. Efficiency of Resource Use

17. The PCR rated the project highly efficient. At project completion, the economic internal rate of return (EIRR) was calculated, based on the EIRR for 22 representative subprojects out of the 412 subprojects under the sector project.¹⁵ These 22 subprojects covered both new and enhanced subprojects across all geographical areas and included major types of water management schemes, i.e., drainage improvement, water conservation, command area development, flood management, and rubber dam provision. The validation assesses that it would have been more useful if EIRRs for the individual subprojects were presented. Although the PCR did not indicate EIRRs for individual subprojects, the range of EIRRs would have provided a greater level of confidence in the overall EIRR. For this, ADB's Bangladesh Resident Mission (BRM) submitted a supplementary information providing EIRRs per subproject category: 130.3% for drainage improvement (269 subprojects), 68.2% for water conservation

¹⁴ Five of the new and three of the enhancement subprojects were dropped, as the intended beneficiaries could not form WMCAs.

¹⁵ The PCR explained that surveys of additional subprojects were planned but not implemented due to the pandemic.

(16 subprojects), 25.9% for command area development (37 subprojects), 132.4% for flood management (74 subprojects), and 21.4% for rubber dam (16 subprojects). The overall project EIRR was 30.2% (412 subprojects). In terms of process efficiency, the validation notes that the project was completed within the time period estimated at appraisal. The project also had cost savings of nearly 20%. Given the high EIRRs and the efficient use of project resources, this validation assesses the project highly efficient.

D. Preliminary Assessment of Sustainability

18. The PCR rated the project likely sustainable. It noted that the strong institutional setups of the WMCAs were developed under the project to improve their capabilities for infrastructure O&M through the development of O&M plans. The PCR reported that the capacity assessment of the WMCAs conducted in 2018 showed that they were performing well. Although the PCR mentioned that only 26.7% of the WMCAs were weak or very weak, this was already a considerable proportion.¹⁶ The Integrated Water Resource Management Unit (IWRMU) of the LGED conducted a performance-based O&M fund allocation, which required close monitoring by the LGED offices (in the regions, districts, and upazilas) and the WMCAs. In regard to ground monitoring, block leaders¹⁷ were to be appointed and entrusted with the responsibility for the O&M of their respective canals and command areas. At completion, block leaders were appointed in 150 subprojects. However, the remaining 262 WMCAs were still in the appointment process. On these points, the BRM provided updates on the latest institutional status of the 412 WMCAs. According to IWRMU Management Information System database, as of May 2021, all the 412 WMCAs were registered, and the O&M accounts were established, audited, and were performing well. Since January 2021, the IWRMU has taken oversight responsibility of 265 WMCAs, aside from the 147 WMCAs under the IWRMU. Since 1995, the LGED has been supporting the WMCAs under the IWRM, out of which most WMCAs, including all the 412 WMCAs have been functioning, based on IWRM- Management Information System and monitoring reports.¹⁸

19. In terms of the budgetary provision for O&M, the IWRMU's periodic O&M fund has continuously increased. The PCR indicated an increase in the government's O&M budget from 50 million Bangladesh Takas (Tk) in 2011 to Tk 220 million in 2019. The periodic O&M was supported by the LGED's budget and WMCAs' contributions. The WMCAs prepared the O&M plan annually. During the joint walk-throughs with the LGED conducted twice a year before and after the flood season, the O&M subcommittee of the WMCAs and the LGED assessed the level of maintenance and required level of fund to be included in each O&M plan.¹⁹ The LGED's contribution to overall periodic maintenance was about 40% of the total needs, and about 60% of the O&M cost was borne by WMCAs as required.

20. In view of the well-functioning institutional arrangements with the WMCAs, which were amply supported by the IWRMU, and the sustained increase in O&M funding, the validation assesses the project likely sustainable.

¹⁶ Local Government Engineering Department. 2018. *Project Final Report: Project Implementation Support Consultant for the Participatory Small-Scale Water Resources Sector Project*. Dhaka.

¹⁷ The block leaders are members of the O&M committee in each subproject.

¹⁸ ADB (South Asia Department). 2021. *Interdepartmental Review on the Draft Project Completion Report Validation on Participatory Small-Scale Water Resources Sector Project*. 08 June (internal).

¹⁹ In the case of Kashipur subproject, for example, the WMCA assessed the O&M budget requirement of Tk 96,000 and included in the O&M plan. The IWRMU monitors the O&M activities along with O&M fund through a well-established MIS database.

III. OTHER PERFORMANCE ASSESSMENTS

A. Preliminary Assessment of Development Impact

21. The PCR rated the project's preliminary development impact satisfactory. The target impact indicators were Tk 80,000 per ha in agriculture productivity (income) and irrigated winter paddy yields of 6.0 tons per ha set for 2022. At the time the PCR was being prepared in 2020, these indicators had not yet been achieved. Nonetheless, judging from the substantial improvements in outcome indicators, progress in the achievement of these impact indicators was likely. Between 2009 and 2017, cropped areas increased by 21% from about 215,000 ha to about 260,000 ha across all subprojects. The annual production of cereal crops increased by more than 500,000 metric tons, and non-cereal crops by more than 230,000 metric tons. In addition, while fish production was not included in the design, incremental fisheries' productivity was estimated for the floodplain and permanent water bodies at 1,609 metric tons, with an increase of 272 metric tons (15%) from floodplain fisheries and an increase of 1,337 metric tons (119%) from culture fisheries. These contributed to increased farmer incomes and expanded economic activities promoted by the WCMA through microcredit provision. This validation assesses the development impact satisfactory.

B. Performance of the Borrower and Executing Agency

22. The PCR rated the performance of the borrower and executing agency satisfactory. All loan covenants were fully complied with. The executing agency deployed qualified staff in the PMO. The LGED submitted quarterly project progress and semiannual safeguards reports, and annual audited project financial statements, as scheduled. The validation notes that the LGED worked well with other agencies at the national and local levels. Also, the government provided its committed level of funding and increased it once additional IFAD funds were available. The validation finds that the performance of the borrower and the executing agency satisfactory.

C. Performance of the Asian Development Bank and Cofinanciers

23. The PCR rated the performance of ADB as satisfactory. It noted that ADB fielded 14 review missions to support project implementation from July 2011 to October 2018. ADB's response to the requests (e.g., loan reallocation) of the executing agency was timely. ADB missions engaged with stakeholders, including the beneficiaries, in monitoring and providing feedback on project activities and compliance with loan covenants. The validation notes that the staffing of the review missions was appropriate as safeguard specialists were included in almost every mission. The validation considers the performance of ADB satisfactory. On the performance of the cofinancier, the PCR considered IFAD's performance satisfactory. This validation notes that IFAD allowed an expansion of the project scope by providing extra financing and that no issues were reported in terms of the government' accessing IFAD funds. This validation assesses the performance of ADB and cofinancier satisfactory.

IV. OVERALL ASSESSMENT, LESSONS, AND RECOMMENDATIONS

A. Overall Assessment and Ratings

24. The project was relevant as it was aligned with the country's and ADB's priorities. It had an appropriate design. The project was assessed effective considering that one indicator exceeded the target and another was nearly achieved. Due to the high EIRRs and the efficient use of project resources, the project is assessed highly efficient. The project is likely sustainable

due to increased funding for O&M and strong institutional set-up. On the whole, the validation assesses the project successful.

Overall Ratings

Validation Criteria	PCR	IED Review	Reason for Disagreement and/or Comments
Relevance	Highly relevant	Relevant	The project design did not demonstrate innovative features.
Effectiveness	Effective	Effective	
Efficiency	Highly efficient	Highly efficient	
Sustainability	Likely sustainable	Likely sustainable	
Overall Assessment	Highly successful	Successful	
Preliminary Assessment of Impact	Satisfactory	Satisfactory	
Borrower and executing agency	Satisfactory	Satisfactory	
Performance of ADB	Satisfactory	Satisfactory	
Quality of PCR		Satisfactory	Para. 30

ADB = Asian Development Bank, IED = Independent Evaluation Department, PCR = project completion report.
Source: ADB (IED).

B. Lessons

25. The issues, lessons and recommendations section of the PCR contained three items. The validation extracts the following main lessons from it: (i) the project used some innovative features, such as land lease agreements in place of land acquisition, microcredit schemes linked to WMCAs as cooperatives, and construction monitoring by beneficiaries, which could be replicated in other projects; (ii) the inclusion of market development components such as rural market and access road in the project, in hindsight, could have made the project more beneficial to farmers; and (iii) the economic re-evaluation identified that, when compared with other agricultural activities, fisheries development was considerably the most beneficial per unit of expenditure. Future project designs may thus consider an increased allocation to fisheries activities. The validation notes that the report presented not much substantiation for these statements and that, in fact, the economic re-evaluation showed that fisheries contributed least to the economic benefits of the project overall.

26. The validation adds two project-level lessons. First, small-scale projects' development results are often realized in the presence of strong capacity within the concerned institutions and effective coordination mechanisms. The institutional set-up to facilitate subproject preparation (e.g., scope, design of subprojects) up to completion (e.g., financial closing) is ensured by the capability of the agencies to provide sustained technical support in the course of project duration. Project delivery is enhanced through the establishment of well-functioning coordination mechanisms between national agencies and local institutions in the implementation of subprojects. Furthermore, agencies with technical capabilities to execute well-established procurement methods and civil work contracts are crucial in supporting programs for small-scale projects.

27. Second, continuous monitoring of individual subprojects is critical in keeping all subprojects on track to achieve a project results. For instance, both exogenous (e.g., availability of consulting services, contractor performance) and endogenous factors (e.g., procurement process, benefit and project performance system), if not properly monitored and mitigated, could lead to delays during the course of the subprojects' implementation. A sustained monitoring mechanism, especially if it will have to cover a large number of subprojects, will improve the prospects for a more favorable project results.

C. Recommendations for Follow-Up

28. The PCR recommends that ADB continue to provide support to the development and upgrading of small-scale water schemes using a sector modality. This approach supports poverty reduction, climate resiliency, and disaster management. Given the appropriate pre-conditions (e.g., location and topography that are suitable for small-scale irrigation schemes and adequate capacity of the borrower and executing agency), the validation concurs with this recommendation. The success of this type of project can be a basis for promoting similar projects in other countries.

V. OTHER CONSIDERATIONS AND FOLLOW-UP

A. Monitoring and Reporting

29. The PCR reports that LGED submitted quarterly progress and semiannual safeguards reports, and annual audited project financial statements on time. A total of 30 quarterly progress reports were submitted to ADB and IFAD, on a regular basis. Safeguards reviews were adequate and safeguard officers regularly joined review missions during 2016-2018. Resettlement plans, environmental monitoring reports and social monitoring reports were all regularly published on the ADB website. Audited accounts were submitted to ADB by the executing agency within 6 months of the end of each fiscal year. The annual audit report included a separate audit opinion on the use of imprest accounts procedures and statement of expenditure procedures. The PCR could have included additional details on benefit monitoring and reporting. It is clear from the information provided in the effectiveness and impact sections of the PCR that a significant level of reporting did occur, but it is not clear by whom, how and when (e.g., how beneficiaries were surveyed).

B. Comments on Project Completion Report Quality

30. The PCR largely met the requirements of the PCR Guidelines and the IED's Guidelines. The PCR provided detailed descriptions of the outputs and outcomes of the sector project, including the performance indicators. Safeguard issues were adequately summarized. It would have been useful if individual subproject EIRRs, which would have added additional information on the robustness of the overall EIRR estimate, had been presented. Also, at the time of preparation, the PCR could have endeavored to present adequate supporting information properly to better facilitate assessments, especially on sustainability. As a whole, the validation assesses the quality of the PCR to be satisfactory.

C. Data Sources and Validation

31. The data sources used for validation were the original report and recommendation to the President, change of scope memo incorporating IFAD's second loan, and the government's and ADB's PCRs.

D. Recommendation for Independent Evaluation Department Follow-Up

32. The PCR suggested that the project performance evaluation begin in 2023 when most of the subproject facilities will have been operating for more than 5 years and their use, maintenance, physical condition, benefits, and impact on the environment and poverty reduction can be properly assessed. This validation suggests that it would be useful to have an in-depth review of the project results in 2023 and further assess its success since this is the third project in a series.