

# Abidjan 2010

## Institutional Capacity The Journey Continues

THIRD ADF 12  
REPLENISHMENT  
MEETING



AFRICAN  
DEVELOPMENT  
FUND

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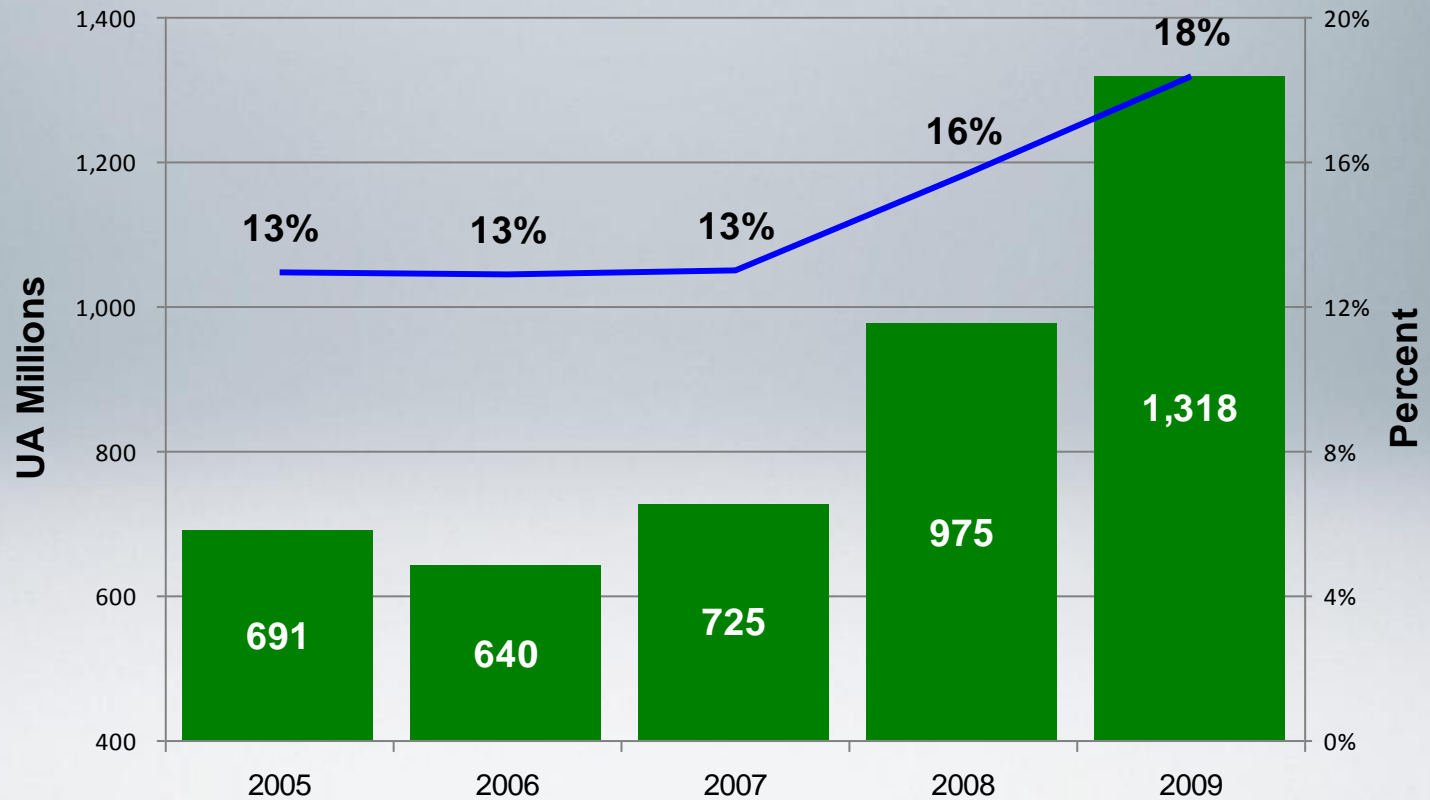
ABIDJAN  
MAY 26-27 2010

## Key Messages

- Our institutional reform agenda: the vehicle for ‘managing’ and being held ‘accountable’ for results.
- Senior Management is championing the implementation, monitoring and continuous fine-tuning of the reforms.
- We have made solid achievements; but there are also areas that require further strengthening.
- ADF 12 will focus on consolidation: HR & IT systems, decentralization, procurement reforms among others.

# Reforms continue to positively impact on the Fund's effectiveness

Disbursement rates are up.....



Disbursement Volume Disbursement Rate

# What have we achieved?

## **Business Process Reforms**

1. Time from approval to first disbursement reduced by 50% since 2006.
2. 61% of Operations supervised twice a year (vs. 50% target in 2009).
3. 92% of PCR's completed in a timely manner (vs. 45% target in 2009).
4. Increased efforts to monitor portfolio performance.
5. Total PL staff in Field Offices increased to 17% (from 5% in 2006).

# What have we achieved?

## ■ Human Resource Management

1. 344 new Staff in post between January 2009 and April 2010.
2. Vacancy rates declined from 17% to 12%.

## ■ Budget Reforms

1. UA Budgeting system launched in January 2010.

## Challenges

- Balancing deepening of reforms with ongoing operations.
- Procurement times need to be shortened (currently at 63 weeks and target is 40 weeks).
- Vacancy rates improving but remain high.
- Revamping of IT architecture slow.
- Improve the number of joint supervision missions and use of country systems.

# Human Resources

- Staff numbers ramped up but recruitment period remains lengthy.
  - Additional Resources to recruitment function (5 staff & consultants).
  - Decentralization of recruitment processes across the Bank.
  - Revised KPI on reducing time taken to fill a vacancy.
  - Enhanced use of ICT tools (e-Recruitment).
- Staff Premature Attrition rates are high.
  - Implementation of Career Development Framework to improve retention.
- Bank policies, culture are still catching up and institutional change takes time.
- HR Reforms underway to make ADB *Employer of Choice*.

# Decentralization (Status Update)

- Bank presence is expanding: **25** operational offices.
  
- Countries with FO's are good performers:
  1. Rate of disbursements at **28%** (compared to 23%)
  2. **61%** of Operations supervised twice a year (compared to 56%).
  3. Lead time to project effectiveness at **10 months** (compared to 12 months).
  
- Draft Road Map discussed at informal Board on 12th May 2010.
  
- Key elements of the Road Map:
  1. Enhancing presence of technical staff, related delegation of authority with relevant safeguards.
  2. Engaging in fragile states.
  3. Establishment of Regional service centers.



# Going Forward

- The Bank continues to deepen implementation of its reforms: decentralization, budget management, quality and results.
- Under ADF 12, focus will be on **consolidation** of reforms:
  1. Ramping up on delivery capacity: HR and IT are core platforms.
  2. Implementation of the Decentralization Road Map with robust monitoring and evaluation systems.
  3. Fine-tuning of organizational structure to ably deliver on Bank-wide priorities e.g. climate change, anti-corruption & integrity.
  4. Deepening ongoing reforms on: disclosure, communications, environmental and social safeguards, procurement etc.

**Thank You / Merci**