

## Summary of Comments received on the ADF-12 Deputies Report Draft 2 (11 June 2010)

References to paragraph numbers in the "Paragraph" and "Comment" columns refer to Draft 2 of 11 June. References to paragraphs in the "Management Response" column refer to Draft 3 of 31 July.

|    | Country       | Section           | Paragraph | Comment  | Management Response   |
|----|---------------|-------------------|-----------|--|---|
| 1  | Canada        | General           |           | Suggest "delivering stronger results and resilient growth" as title since ADF already delivers results and we have been talking about resilient growth.  | Noted.  |
| 2  | Canada        | General           |           | Review entire document to make sure that appropriate accountabilities are assigned consistently. As mentioned in Abidjan, one option is that the entire Management is accountable for all ADF reform commitments; alternatively, units/VPs could be made accountable.  | Noted. Management as a whole will be accountable.   |
| 3  | Canada        | General           |           | Applaud the development of a corporate RMF (and its component parts) as a major accomplishment for Africa's Bank.  | Noted.  |
| 4  | Canada        | General           |           | Support Swiss Deputy's call for an overview financial worksheet so that we can conclude the financial part of the ADF-12 negotiations in a timely manner.  | Overviews will be provided.   |
| 5  | Germany       | General           |           | Good report which reflects the discussions quite well, also substantial.   | Noted   |
| 6  | Germany       | General           |           | Some aspects need further discussion and should be further specified (role of the ADF in global architecture, climate and energy efficiency, PBOs, comparative advantage of the ADF in fragile states, results management framework for One Bank, MDRI financing (see comments below).   | Noted.  |
| 7  | Sweden        | General           |           | We thank the ADF Team for this revised draft report and welcome that many of the points brought forward in Abidjan have already been taken onboard. We will focus our input on areas of particular importance to Sweden. As for the subtitle, we would prefer option 1 "Building Resilience and Delivering Results".   | Noted.  |
| 8  | Sweden        | General           |           | The emphasis on the Fund's and donors' responsibility in supporting good governance throughout Africa should be balanced with clear references to the fundamental importance of regional members' own responsibilities in this area and regional ownership over the development agenda.  | Suggested references included in various paragraphs.  |
| 9  | Sweden        | General           |           | We would welcome stronger language regarding the Fund's contribution to meeting the commitments under the Paris Agenda/AAA as well as clearer references to the "One Bank" concept.  | Included where appropriate.   |
| 10 | Sweden        | General           |           | Finally, we would like to see that the Bank gives some further attention to gender issues throughout the analysis, as well as in specific sector paragraphs.   | Noted. Gender is important for the Bank, and this is the reason why it is a crosscutting issue in all evaluations as well as noted in the implementation framework. |
| 11 | Switzerland   | General           |           | General comments: We would like to thank Management and staff for the timely sending of the revised draft Deputies' Report and the inclusion of many of the points brought forward in Abidjan. We are making good progress and generally agree with the main points in the Report. We are focusing our comments on selected areas where we see from a Swiss point of view the need for further adjustments. Regarding the title we have a preference for option 1 "Building Resilience and Delivering Results".  | Noted.  |
| 12 | UK            | General           |           | We welcome the draft ADF 12 Deputies' report, which reflects well the discussions we have had over the last 9 months.  | Noted.  |
| 13 | UK            | General           |           | For the title, we would prefer 'Sustaining Growth and Delivering Results'. We were not convinced that a Resilience narrative comes through strongly.   | Noted.  |
| 14 | UK            | General           |           | This report is the basis for our application to Parliament to approve the UK AfDF contribution, and is perhaps the only document people will read on the work of the Fund. On the whole it sets out the agreement clearly and well. But we wonder if in a couple of places it needs a little more explanation or simpler English to make it more accessible eg CPIA is used a couple of times, but without any explanation of what it is. Also perhaps there could be a couple more references to the AFDF being primarily targetted on supporting accelerated economic growth – apart from in section 3, the text tends to move directly to talking about sectoral interventions. | Explanatory notes added where appropriate.  |
| 15 | United States | Executive Summary | Para. 4   | Regarding synergies between AfDF and AfDB lending, suggest stressing the need for greater attention to AfDF/AfDB synergies in regional integration. The AfDF (rather than AfDB) has led on regional operations, while further work is needed to incentivize AfDB countries to participate in regional integration projects. AfDB private sector investments in low-income countries are presently a stronger example of AfDF-AfDB synergy.   | Text amended.   |
| 16 | Switzerland   | Executive Summary | Para. 5   | Strategic priorities for ADF-12: ADF-12 should put emphasis on climate adaptation AND mitigation (as stated in other parts of the report).   | Text amended.   |

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| 17 | United States | Executive Summary | Para. 6        | Development Effectiveness: Suggest adding language on the GCI reform matrix and attaching the matrix as an annex to the report: "Deputies welcomed the matrix of reform actions Management committed to and that Governors approved in the context of the General Capital Increase. They recognized these reforms' significant implications for the Bank Group as a whole and their complementarity to reforms agreed during the AfDF-12 discussions." We believe the report needs to present as comprehensive a view as possible regarding the range of reforms that Management has agreed to enact. | References to the GCI and its reform matrix have been included in the report and the GCI matrix has been annexed to the ADF Deputies' Report for ease of reference and information. Institutional reform commitments which are applicable to the Fund's operations have been included in the ADF-12 Implementation Matrix. Management will report periodically on progress on the GCI reform commitments to the Board of Governors. |
| 18 | Switzerland   | Executive Summary | Para. 7        | Resource allocation: regarding the fragile states facility, reference should be made that due to exceptional circumstances the arrears clearance window allocation is particularly high during ADF-12, as it is indicated later in the report.  | Text amended.   |
| 19 | Switzerland   | Executive Summary | Para. 9        | Financing terms and replenishment framework: we propose to add in the second paragraph that these three measures would be undertaken in light of the goal of enhancing the financial sustainability of the Fund.  | Text amended.   |
| 20 | Canada        | Executive Summary |                | Agree with US Deputy's points about inclusion of the GCI reform matrix since the GCI reforms will create a better One Bank able to use additional GCI/ADF resources well.   | References to the GCI and its reform matrix have been included in the report and the GCI matrix has been annexed to the ADF Deputies' Report for ease of reference and information. Institutional reform commitments which are applicable to the Fund's operations have been included in the ADF-12 Implementation Matrix. Management will report periodically on progress on the GCI reform commitments to the Board of Governors. |
| 21 | Canada        | Executive Summary |                | Support US Deputy's point on putting greater emphasis on the need for enhanced synergies between ADB and ADF in regional operations.  | Text amended.   |
| 22 | Sweden        | Executive Summary |                | Strategic priorities: Climate should refer to both adaptation and mitigation. Always placing gender as the last in the list of priorities could give the incorrect impression that gender is only an add-on. Perhaps consider changing the order? At a minimum, a clear reference should be made to the GCI Reform Matrix.  | Text amended.   |
| 23 | UK            | Executive Summary |                | We found the Executive Summary a little unbalanced. The text covers context and last replenishment well, and gives a concise explanation of how resources are allocated, the financing framework etc. But it needs to say a bit more about what ADF resources will be supporting, why the sectors are important, how this will deliver growth in Africa etc – reflecting more of the good material in section 3.  | Text/section amended.   |
| 24 | UK            | Executive Summary |                | We agree with the US suggestion to include text in the Executive Summary (and also section 4) about the reforms agreed as part of the General Capital Increase, and to attach the matrix as an annex. As US Deputy says, many of the reforms will be important to maximise AfDF's development impact and so help support the case for donor contributions.  | References to the GCI and its reform matrix have been included in the report and the GCI matrix has been annexed to the ADF Deputies' Report for ease of reference and information. Institutional reform commitments which are applicable to the Fund's operations have been included in the ADF-12 Implementation Matrix. Management will report periodically on progress on the GCI reform commitments to the Board of Governors. |
| 25 | Sweden        | Section 1         | Para. 1.4      | The reference to Deputies considering a 4-year cycle for ADF-13 should be deleted, since this issue has not been thoroughly discussed yet.  | Text amended.   |
| 26 | Switzerland   | Section 1         | Para. 1.4      | We propose to delete the sentence to consider that from ADF-13 onwards the replenishment cycle should/could be 4 years as this has not been discussed during replenishment negotiations.  | Text amended.   |
| 27 | United States | Section 1         | Para. 1.4      | Suggest deleting reference to "consider introducing a 4-year cycle as of AfDF-13". Including reference to this idea is distracting, unnecessary and could imply a positive view from Deputies when in fact it has not been adequately discussed or considered.  | Text amended.   |
| 28 | Sweden        | Section 1         | Para. 1.7      | Language on anti-corruption should be included.   | Included in paragraph 3.7.  |
| 29 | Germany       | Section 2         | Para. 2.8-2.12 | Throughout the report reference is made to the "unique role of the ADF and AfDB, "comparative advantages", "leadership role" etc. It would be helpful and informative to qualify these statements (are they facts or aims?). Concrete figures (areas, sectors, countries) in comparison to other important financiers (WB, IDA, UN, EEF, bilateral etc.) would also help to get more clarity on the actual and envisaged global division of labour and harmonisation. We propose to include a chapter, graph or table on this issue.  | Please see the ADF-11 Mid Term Review paper, <i>The New Role of the African Development Fund in the Changing Aid Architecture</i> , Helsinki, 2009, which contains an elaborate analysis of the role of the ADF and its strengths, also as compared to other actors. This paper, as well as a simpler, more general public-friendly version, is on the ADB website. We have added a reference to the paper in the text.             |

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| 30 | Sweden        | Section 2 | Para. 2.2       | This paragraph gives the impression that it is only through development financing that gaps will and should be closed. The paragraph could be shortened while at the same time reference should be made also to other measures needed to close the countries' financing gaps.   | This paragraph is meant to highlight the impact of the various crises and the policy response of ADF countries. Para. 2.7 mentions the need for scaling up of domestic resources. |
| 31 | Switzerland   | Section 2 | Para. 2.5       | In the context of growth, special mention should be made of the importance of employment creation, as indicated later in the report (in para 3.2).  | Text amended.   |
| 32 | Sweden        | Section 2 | Para. 2.5-2.7   | A clear reference ought to be made to the importance of that Africa takes full responsibility for its own progress. The AfDB should work with regional member countries to enhance and sustain efforts to ensure good governance, sound financial policies and macro-economic stability, and pursue long-term development policies in order to foster an enabling private sector environment, promote growth and long-term, sustainable economic development. | Incorporated in various paragraphs.   |
| 33 | Switzerland   | Section 2 | Para. 2.6       | Charting a low-carbon pathway should not only be pursued where practicable, but actively explored.  | Text amended.   |
| 34 | Sweden        | Section 2 | Para. 2.8-2.9   | In connection with the reference to the Bank-wide Results Measurement Framework and the One Bank concept, planning tools should be mentioned. The ADF should use the CSP as a tool to work as One Bank at country level, based on the country's needs.  | Incorporated in par. 4.2.   |
| 35 | Switzerland   | Section 2 | Para. 2.9       | ADB's role as "honest broker" particularly in the promotion of public-private partnerships (PPPs) should also be mentioned in this paragraph.   | Incorporated in par. 2.10.  |
| 36 | Sweden        | Section 2 | Para. 2.11-2.12 | It would be correct to here also mention that the Bank recognises that challenges still remain.   | Paragraph 2.11 amended.   |
| 37 | UK            | Section 2 | Para. 2.12      | We agree with Sweden that this paragraph should also mention the effectiveness challenges that still remain – and that management is committed to maintaining momentum on the reform agenda (which is picked up in section 4).  | Paragraph 2.11 amended.   |
| 38 | Germany       | Section 3 | Para. 3.2-3.6   | In the context of the AfDB Climate Change Action Plan Germany will make several comments (again on division of labour, differentiation by regions and countries, energy efficiency and others) which shall be mentioned in that context.  | Noted.  |
| 39 | Sweden        | Section 3 | Para. 3.3       | The paragraph should emphasize that adaptation should be an important aspect of regional operations. The language on gender should be rephrased to "Mainstreaming and integrating gender aspects in infrastructure operations will be an important area of engagement."   | Text amended.   |
| 40 | Sweden        | Section 3 | Para. 3.3-3.4   | A reference should be made to that the ADF should combine its tools, including PBL. A link to the ADFs governance operations should also be made (see para 3.10).   | Text amended.   |
| 41 | Switzerland   | Section 3 | Para. 3.4       | Add a reference that in connection with all infrastructure projects the adequacy of maintenance systems and their financing mechanisms (incl. overloading control in the transport sector) need to be assessed and where felt inadequate, proper maintenance systems with sustainable funding will have to be developed as part of the project.   | Text amended.   |
| 42 | Germany       | Section 3 | Para. 3.5       | For the Deputies Report we propose to include energy efficiency and energy saving   | Text amended.   |
| 43 | Sweden        | Section 3 | Para. 3.5       | Energy: reference should be made to renewable energy, not only clean energy.<br>ICT: reference should be made also to telecommunication, not only IT.   | Text amended.   |
| 44 | Switzerland   | Section 3 | Para. 3.5       | The Fund should also target energy efficiency.  | Text amended.   |
| 45 | Sweden        | Section 3 | Para. 3.7       | Suggesting change of text "...good governance and underscored that good governance is an essential pillar..."   | Text amended.   |
| 46 | Germany       | Section 3 | Para 3.7-3.9    | In order to support a broad understanding of Governance (3.7 and 3.9) reference could be made to the Banks close cooperation with the AU, RECs, UN etc. (as important political bodies) and to recently developed guidelines on de facto governments etc.   | Text amended.   |
| 47 | Sweden        | Section 3 | Para. 3.9       | End of para "and combat corruption".  | Text amended.   |
| 48 | Canada        | Section 3 | Para. 3.10      | Support US Deputy on his governance points  | Noted.  |
| 49 | United States | Section 3 | Para. 3.10      | Governance: Appreciate the addition of concrete actions to promote governance.  | Noted.  |

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| 50 | United States | Section 3 | Para. 3.10      | Private Sector: Suggest deleting the reference in the second bullet to “engaging in more private sector extractive industries operations.” It is not clear to us how the Fund could engage more in private sector extractive industry operations. Furthermore, this sentence could raise questions as it does not address how the Bank would use such engagement selectively to promote good practices. The Bank should base its engagement on an assessment of the extent to which the country has functioning systems for i) accurately accounting for payments for companies involved in the extraction and export of natural resources; (ii) the independent auditing of accounts receiving such payments and the widespread public dissemination of the findings of such audits; and (iii) verifying government receipts against company payments including widespread dissemination of such payment information, and disclosing such documents as Host Government Agreements, Concession Agreements, and bidding documents, allowing in any such dissemination or disclosure for the redaction of, or exceptions for, information that is commercially proprietary or that would create competitive disadvantage. | Reference deleted. Comment noted.   |
| 51 | United States | Section 3 | Para. 3.10      | Suggest using more precise language in reference to public financial management and procurement, which are separate elements of fiduciary controls. For example, para 3.10 first sentence should read: “ ...consolidating its support for financial governance, public financial management and procurement programs ...”   | Text amended.   |
| 52 | United States | Section 3 | Para. 3.10      | Line 6 of the first bullet should read: “ support for procurement system reform and for public financial management systems, particularly ...”  | Text amended.   |
| 53 | Switzerland   | Section 3 | Para. 3.11      | Add (i): that the Fund should in addition to shifting its focus in debt relief towards budget performance and public financial management also recognize the importance of strengthening institutions as well as towards sustaining a credible and comprehensive debt sustainability framework (because debt relief was envisaged as an exceptional measure to alleviate unsustainable debt burden);  | Text amended.   |
| 54 | Switzerland   | Section 3 | Para. 3.11      | Add (ii): given the continuing weakness in debt management in many LICs, which the background paper on debt sustainability candidly ascertains, as well as the risk of rapid changes of relevant debt variables, we call for extra prudence and consent by sister organizations when allowing selected countries to take up non-concessional borrowing. We are not convinced that countries with low capacity and high debt vulnerability should take up any non-concessional loans (even if only in special circumstances).  | We agree with the need for prudence. The Bank Group’s approach to debt sustainability and non-concessional borrowing will be fully aligned with the policies and practices of the International Monetary Fund, the World Bank and other development partners. |
| 55 | UK            | Section 3 | Para. 3.11      | We support the text as written, and disagree with the comments posted by Switzerland calling for tougher language. The text makes clear that the Bank intend to follow the right approach, working with the IFIs, and the high quality paper produced by the Bank gives us confidence that they are following the right approach, balancing concerns about debt sustainability with the need for development financing to make progress on the MDGs.  | Noted.  |
| 56 | Germany       | Section 3 | Para 3.12       | PBO (3.12): The phrasing should be general enough in order to allow an open discussion of the planned PBO Policy. The detailed instruments and principles will be agreed upon in the course of the discussion of the PBO policy (in particular for fragile states, where special conditions need to be applied). Furthermore, we propose to mention the ongoing DAC budget support evaluation.  | Noted.<br>Text amended.   |
| 57 | Sweden        | Section 3 | Para. 3.12      | Language referring to policy dialogue should be added. A well established and frank policy dialogue is a precondition for successful implementation of budget support. Also, we would like to see the last sentence strengthened: “this includes highly selective use of PBOs to help...”.  | Text amended.   |
| 58 | Switzerland   | Section 3 | Para. 3.12      | Add that in fragile states, PBOs should only be used in combination with a comprehensive package (e.g. analytic work, institution / capacity building, policy dialogue, secondment of experienced personnel, etc.).   | Addressed in paragraph 3.23   |
| 59 | UK            | Section 3 | Para. 3.12      | The last sentence accurately reflects the discussions donors had on the use of PBOs. However, we suggest deleting the last six words on arrears clearance, as this is discussed elsewhere in the document, and arrears operations are of a different nature to other PBOs.  | Text amended.   |
| 60 | Germany       | Section 3 | Para. 3.14-3.19 | Please qualify the statement “lead financier of regional operations”. (3.14)  | Explanatory footnote added.   |
| 61 | Sweden        | Section 3 | Para. 3.15      | Both climate change and mitigation should be mentioned.   | Text amended.   |
| 62 | Switzerland   | Section 3 | Para. 3.15      | Climate change adaptation and (add) mitigation as vital parts of regional operations.   | Text amended.   |
| 63 | Switzerland   | Section 3 | Para. 3.15      | Last sentence: ... performance of regional operations and (add) that Management will take full account of lessons from the upcoming independent review of ROs (due to be available in 2011) in the Fund’s approach on ROs and future investments (to be reviewed at MTR).   | Text amended.   |
| 64 | Germany       | Section 3 | Para. 3.16      | We propose to include and to pay more attention to Programme for Infrastructure Development in Africa (PIDA) (3.16)   | Text amended.   |
| 65 | Sweden        | Section 3 | Para. 3.16      | First bullet: add that contribution to regional integration should be an important selection criterion.   | This is captured in the use of Regional Integration Strategy Papers, whose purpose is to further regional integration.  |

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| 66 | UK            | Section 3 | Para. 3.20      | Is the text on the FSF exit mechanism correct? We had understood that the phase-out approach means countries with higher CPIA scores will see bigger proportional reductions in their FSF top-ups than those with poorer scores. In other words, the direct opposite of what is said – that it “rewards” country performance. | Indeed, countries with higher CPIA scores will see larger reductions in their FSF top-ups than those with poorer scores, but the percentage reduction attached to the CPIA criterion is lower than that of the other criteria, so as not to unduly penalize improved performance. We agree that the phrase "reward performance" can cause confusion and have removed it. Explanatory footnote on the composition of the discount factor has been added.   |
| 67 | Germany       | Section 3 | Para 3.20-3.25  | We propose to include a paragraph on ongoing international discussion processes, cooperation and division of labour (AU, UN, WB etc.). What is the role of the ADF in these fora? What are the main debates?  | Paragraph added (3.22)  |
| 68 | Germany       | Section 3 | Para 3.20-3.25  | We propose replacement of the sentence "PBOs are particularly important in assisting post-conflict countries..." by a more open version, e.g.: "PBOs belong to the instruments to be used in an judicious manner...". As stated before, the PBO policy shall be discussed by end of the year on the basis of evaluations.     | Text amended.   |
| 69 | Germany       | Section 3 | Para. 3.20-3.25 | Again: What is meant by "comparative advantage" (3.22). In which areas and countries will the Bank take over the lead? What is desirable and what is realistic?   | The Bank Group's Strategy for Enhanced Engagement in Fragile States and the Operational Guidelines for the Fragile States Facility will continue to guide the ADF's activities and engagement in fragile states, under the supervision and direction of the Board of Directors. Specific strategies and operations, including collaboration, coordination and division of labor with other donors at the country level, are set out in the appropriate programming documents such as Country Strategy Papers and approved by the Board. |
| 70 | Switzerland   | Section 3 | Para. 3.21      | Add that in fragile states, PBOs should only be used in combination with a comprehensive package (e.g. analytic work, institution / capacity building, policy dialogue, secondment of experienced personnel, etc.).   | Text amended.   |
| 71 | United States | Section 3 | Para. 3.21      | Judicious Use of PBOs in Fragile States: We can support the concept underlying this paragraph, but we would like to see greater clarity on what would constitute “adequate” fiduciary safeguards for PBOs for fragile states.   | Fiduciary safeguards constitute a key criteria for PBO in fragile states. To avoid any confusion the word "adequate" has been deleted.  |
| 72 | Sweden        | Section 3 | Para. 3.22      | Resources available in Pillar 3 should be mentioned, and reference to how these resources should be utilised should be made.  | No new ADF-12 resources will be allocated to Pillar 3. The existing Pillar 3 resources remaining at the end of ADF-11 will be carried over to the ADF-12 period. Text has been amended to reflect this.   |
| 73 | Germany       | Section 3 | Para. 3.22      | Pillar III is non-existent in the text...   | Text amended (see above).   |
| 74 | Sweden        | Section 3 | Para. 3.24      | Gender is put at the end again!   | Text amended: the section on gender has been moved up, as well as the order in which 'gender' appears in other paragraphs.  |
| 75 | Canada        | Section 3 | Para. 3.27      | Support Swiss Deputy on pilot nature of PRG.  | Text amended.   |
| 76 | Germany       | Section 3 | Para. 3.27      | Private sector development: The promotion of SME finance deserves more attention; results of the G20-working group (Financial Inclusion Experts Group) should be included. (3.27).  | Text amended. The promotion of small and medium enterprises as part of a good entrepreneurial environment is an important area of Private Sector engagement by the ADB. In general, financing for SMEs is not provided directly from the Bank but rather through Lines of Credit to local financial institutions. The ADB's engagement will continue to be closely coordinated with international efforts, including those that will emerge from the G20 Working Group on Financial Inclusion.  |
| 77 | Germany       | Section   | Para.3.27       | Furthermore one question / proposal: The PRG shall be open for many interested parties; will bilateral financial organizations have access? (3.27)  | This is an open question that will have to be addressed by the Board. Management is currently developing the operational and policy details of the instrument for Board consideration in early 2011.  |
| 78 | Switzerland   | Section 3 | Para. 3.27      | Make a reference that PRG should be introduced on a pilot basis during ADF-12, according to best practices of and lessons learned from sister institutions.   | Text amended.   |
| 79 | UK            | Section 3 | Para. 3.27      | we found “compensate” in the first sentence a bit odd. We suggest re-wording to “.... the Bank's hard and soft windows to encourage further private sector investments in ADF countries and to channel.....”.   | Text amended.   |
| 80 | Canada        | Section 3 | Para. 3.28      | Really like section on "enhanced support for private sector development". I have said enough on first loss. It was innovative as Swiss Deputy mentioned. We also asked for additional work as US Deputy wrote. I can live with any language that captures the two discussions we had in Abidjan.                              | Noted.  |

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| 81 | Switzerland   | Section 3 | Para. 3.28 | We propose dropping the wording that Deputies "endorsed" the concept of the First Loss Portfolio guarantee and propose to change it into the following wording: "Deputies broadly welcomed the concept and the innovative approach".  | Text amended.  |
| 82 | United States | Section 3 | Para. 3.28 | First Loss Portfolio Guarantee: Stress that Deputies "requested additional information on how the FLPG would work and suggested that Management explore alternative financing sources", rather than that Deputies "endorsed" the concept. This would better reflect the range of Deputies views expressed in Abidjan.   | Text amended.  |
| 83 | UK            | Section 3 | Para. 3.28 | Having viewed other Deputies' comments, we suggest the report notes that deputies "expressed support for" the FLPG concept. Otherwise we support the text in this paragraph.  | Text amended.  |
| 84 | Germany       | Section 3 | Para. 3.30 | We expect the planned new guidelines and policies (climate change action plan, energy policy) and will comment then in detail. The text (3.30) should include the term energy efficiency.   | Text amended.  |
| 85 | Germany       | Section 3 | Para. 3.30 | We also propose to include some sentences on the necessary regional differentiation in Africa.  | It is not quite clear to us what exactly you mean. Could you please suggest some sentences?  |
| 86 | Sweden        | Section 3 | Para. 3.30 | Second sentence: Why should particular priority be given to policy and regulatory reform. We would much prefer "...with the greatest impact, including policy and regulatory reform...".  | Text amended.  |
| 87 | Switzerland   | Section 3 | Para. 3.30 | Instead of the vague formulation of an "appropriate balance of clean energy investments in the overall ADF-12 energy portfolio", we propose to set an ambitious target for clean energy of the overall ADF-12 energy portfolio.   | The Bank agrees that there is a need for more ambitious targets to meet the global challenges in reducing greenhouse gas emissions. However, we should also note the very low access to energy in many Sub Saharan African countries which further constrains the MDG poverty reduction objectives. Regional member countries will therefore expect to continue to receive the Bank's support in utilizing traditional fossil fuel-based energy generation. The Bank will at the same time help them to transition to clean and low carbon energy generation (e.g. large scale solar, wind, hydropower, and geothermal). |
| 88 | United States | Section 3 | Para. 3.30 | Climate Change: The Bank should have a discussion about coal in the context of its Energy Policy. To that end, we suggest adding a sentence committing the Bank to including the issue of coal-fired plants within Energy Policy discussions.   | Text amended.  |
| 89 | UK            | Section 3 | Para. 3.30 | The language in this paragraph should be strengthened to convey a more proactive approach. We suggest it says: "For coal-fired plants, the Bank will work with other MDBs to develop and implement consistent guidelines. The new Energy Policy will take full account of these guidelines".  | Text amended.  |
| 90 | Canada        | Section 3 | Para. 3.32 | Support the Bank's role as a supervising entity in GAFSP.   | Text amended.  |
| 91 | Germany       | Section 3 | Para. 3.32 | Food Security (3.32): Compared to other paragraphs on cross cutting issues this chapter is a bit short? We look forward to the more detailed Agriculture Strategy. At this stage we propose to include reference to the "L'Aquila Food Security Initiative" and to include "to align with the principles and practices to promote responsible and sustainable agricultural investment."   | Text amended.  |
| 92 | United States | Section 3 | Para. 3.32 | Food Security: Suggest adding reference to alignment with the Comprehensive Africa Agriculture Development program (CAADP) process and the Bank's role in the Global Agricultural and Food Security Program. For example, after the second sentence: "Deputies also urged the Fund to strengthen the alignment of its food security and agricultural development activities with the Comprehensive African Agriculture Development Program given the strong African ownership of the CAADP process." And a final sentence along the lines of: "Deputies also welcomed the Fund's role as a supervising entity in the newly established Global Agriculture and Food Security Program." | Text amended.  |
| 93 | Sweden        | Section 3 | Para. 3.33 | The language on gender based violence should be deleted since no consensus was reaching ion this. Albeit a sadly important issue, this is clearly not within the ADF's comparative advantage. Thus delete the full sentence "The Fund will also provide targeted.....independent evaluation studies".   | Sentence deleted   |
| 94 | Sweden        | Section 3 | Para. 3.35 | That the ADF remains involved in higher education should be considered highly exceptional. Given the current strategic focus, fund activities in higher education should be phased out.   | The paragraph confirms that the Fund's activities in this area will be limited.  |
| 95 | Canada        | Section 3 |            | Support Swedish Deputy on her gender and One Bank points.   | Noted, relevant text has been amended.   |

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| 96  | Germany     | Section 4 | Para. 4.1-4.27 | In general the basis is good, the instruments of the AfDB sufficient. Germany has commented the RMF recently (more qualitative data needed, more external views, better reflection of reform agenda and innovative potentials of the Bank necessary).   | Text amended to reflect the commitment made during the CODE discussion on 20 July that Management will be supplementing the quantitative information with qualitative information for key areas of interest, including gender, climate change, regional operations and policy-based operations.   |
| 97  | UK          | Section 4 | Para. 4.1-4.3  | In Abidjan, management agreed to reflect and consult on whether more stretching targets could be agreed for the Results Framework. (That is stated in para 4.3.) If at all possible, it would be better for this work to be done ahead of the final replenishment meeting, so that the Deputies' Report (and Results Annex) can reflect management's strongest offer. | Management is currently consulting the Board and internally on a Bank Group Results Measurement Framework (BG RMF). A first discussion of the draft BG RMF was held by the Committee on Operations and Development Effectiveness on 20 July. Following this discussion, Management has made revisions to the indicators in the ADF-12 RMF, and stretched targets where possible. These revisions reflect the initial discussions and an assessment by Management of what can realistically be expected to be achieved by the end of the ADF-12 period. A final version of the BG Results Measurement Framework will be presented to the Board in September 2010, and the ADF-12 RMF will be kept consistent with the BG RMF finally approved by the Board.  |
| 98  | Germany     | Section 4 | Para 4.2       | One Bank Framework should harmonize the ADF-Matrix and the ADB-Reform-Matrix (because there are many overlaps) (4.2. and Annex I)   | Reform commitments agreed during the GCI which are relevant for the ADF have been included in the ADF-12 Implementation Matrix. For ease of reference and information purposes, the GCI Matrix has been appended to the Deputies' Report.   |
| 99  | Sweden      | Section 4 | Para. 4.2      | Tools such as CSPs should be linked to the results/One Bank focus. A sentence explaining how this should be done would be welcome.  | Text amended.   |
| 100 | UK          | Section 4 | Para. 4.2      | This paragraph should commit the Bank to articulating country-level results across all Bank activities and not just ADF activities. This would include private sector programmes and knowledge products.  | This paragraph has been amended and emphasizes the "one bank" approach and Country Strategy Papers.   |
| 101 | Germany     | Section 4 | Para. 4.3      | External views shall be discussed (include in 4.3.)   | It is not quite clear to us what exactly you mean. Could you please suggest a sentence?   |
| 102 | Sweden      | Section 4 | Para. 4.3      | Reference to gender disaggregated statistics/indicators is missing.   | Text amended. The issue of disaggregated gender statistics is also included in paragraph 4.16   |
| 103 | Sweden      | Section 4 | Para. 4.5      | The use of CSP as a tool to implement the One Bank concept at country level, based on the country's needs should be added.  | Already included in para. 4.2.  |
| 104 | Switzerland | Section 4 | Para. 4.5      | Add in the last sentence: ... with the aim that projects will be submitted for Board approval only when they are ready for implementation.  | The current standard practice is that projects are only submitted to the Board when they are ready for implementation.  |
| 105 | Sweden      | Section 4 | Para. 4.6      | We would like to see an explanation of how the Bank intends to follow up on the impact from the implementation of the revised staff performance incentives.   | Based on findings of analysis of the 2009 performance review and guidance from the Board of Directors, Management is taking the following actions to address challenges identified and further enhance the performance evaluation system overall: (i) conducting a full review of the new system to improve its credibility and increase its understanding by staff and delivery at all levels; (ii) strengthening, clarifying and communicating the linkages between performance evaluations ratings, implications of performance on advancement and compensation; (iii) providing continued training on the performance management process for staff and Managers to increase the efficacy of the program; and iv) defining and closely monitoring clear timeframes for each component of the performance evaluation process to ensure timely and full staff participation. |

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| 106 | United States | Section 4 | Para. 4.6     | Project Supervision: Suggest specifying how the results reporting framework, including the new automated system, will allow for stronger public communication on the status of project implementation. Draft 2 usefully expands on plans to strengthen project supervision. It is important to stress how implementation information will be shared with stakeholders on the Bank's web site, however. In our view, this is an area where the Bank's web site content falls short.   | Text amended. The automated RRS and new supervision reporting template will both enhance systematic reporting of progress and facilitate access and sharing of information on portfolio performance data within the Bank. Such data will be regularly analyzed to provide information to be shared with stakeholders, in particular through the ADF results framework accessible on the Bank's web site. The Bank will gradually move towards making this information available to a broader public in line with its disclosure policy. |
| 107 | United States | Section 4 | Para. 4.6     | Regarding the sentence on the revised reporting template, we welcome the increased focus on assessing progress toward outputs and outcomes, but it is worth specifying that monitoring of key fiduciary safeguards will also continue.   | Text amended.   |
| 108 | Switzerland   | Section 4 | Para. 4.6     | Add "Due to implementation complexities, it is recognized that supervision in fragile states is demanding and needs adequate resources".   | Text amended.   |
| 109 | United States | Section 4 | Para. 4.7     | Evaluation: Suggest adding that Deputies encourage Management to consider how to further strengthen its learning culture by building the evaluation capacity of regional member countries, and by improving ability to attribute and measure the results of development interventions through impact evaluation. We recognize that there are constraints related to the costs and data needs of impact evaluation. One possible way of alleviating the financial and human resource burden associated with impact evaluation could be partnering with other organizations that have experience and resources for conducting impact evaluations.  | Text amended.   |
| 110 | Germany       | Section 4 | Para. 4.8     | Evaluation on PBOs to be included and, possibly, also further important evaluations and reviews of the "One Bank Results Framework" (4.8)  | Text amended as concerns the OPEV evaluation of PBOs. Management feels it is rather early to do an evaluation of the One Bank Results Framework.  |
| 111 | Sweden        | Section 4 | Para. 4.9     | A clear reference to merit based and transparent recruitment should be made.   | Text amended.   |
| 112 | Sweden        | Section 4 | Para. 4.10    | A clear reference to "One Bank" would strengthen the paragraph.  | Text amended.   |
| 113 | United States | Section 4 | Para. 4.10-12 | Strengthening Delivery Capacity: Suggest broadening the title of this section to "Strengthening Delivery Capacity and Ensuring Budget Discipline," and adding a commitment to review the compensation framework and strengthen links between performance and human resource management. The new performance evaluation system is a step in the right direction, but further work is needed on implementation. The report should describe plans for more fully integrating this system into human resources management at the Bank so that good performers are rewarded for their work. We would also like the report to refer to Management's recent commitment to review the Bank's compensation system (salary and benefits) as an indication of attention to budget discipline. | The title of this section has been amended. There will be a review of the Compensation and Benefits Framework for submission to the Board during the second quarter of 2011. This review will include consideration of total compensation and the number and type of comparators used for local and international staff for salary benchmarking.  |
| 114 | Sweden        | Section 4 | Para. 4.11    | The paragraph should also include language on structures for incentives, rewarding good management and staff performance.  | Has been included in paragraph 4.9  |
| 115 | UK            | Section 4 | Para. 4.11    | We agree with Sweden that the paragraph should include language on structures for incentives, rewarding good management and staff performance.   | Noted.  |
| 116 | Switzerland   | Section 4 | Para. 4.13    | Redraft paragraph to reflect that based on the inconclusive Board discussion, Management will redraft the "Decentralization Roadmap" which will be further discussed in the Board.   | Text amended.   |
| 117 | United States | Section 4 | Para. 4.13    | Decentralization. Strongly suggest adding "Deputies urge Management to ensure field office fiduciary capacity is robust before delegating procurement and disbursement responsibilities." The Bank's recently issued internal audit report describes serious concerns about the strength of field offices which need to be addressed by Management before delegation of fiduciary authority would be appropriate.  | Text amended.   |
| 118 | UK            | Section 4 | Para. 4.13    | We like the language of this paragraph which captures the balance between improving the AfDF's development effectiveness through decentralisation and managing the risks.  | Noted.  |
| 119 | United States | Section 4 | Para. 4.14    | Communication/Disclosure: Suggest clarification on print media and communication with affected people. The report calls for expansion of print products but does not specify that such material would be targeted to communities with limited access to the web site or that these products would be translated into local languages for the benefit of affected communities. While the report mentions the need to improve on "participation of regional member countries", it needs to be more explicit about the need for better communication with civil society and affected people.  | Text amended.   |
| 120 | Sweden        | Section 4 | Para. 4.15    | Consider deleting the word "expands", since there was no consensus on the scope of the Bank group's knowledge activities. Rather "The Bank Group will continue the focus of its flagship publications...".   | Text amended.   |

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| 121 | UK            | Section 4 | Para. 4.15 | Unlike Sweden, we see developing knowledge products as a key role for the Bank, particularly in its focus areas.  | To ensure consensus among Deputies it is proposed that the word "strengthen" would replace "expand"  |
| 122 | United States | Section 4 | Para. 4.18 | Cross-Debarment: The specific mention of cross-debarment is welcome. We expect Management to follow through immediately on its commitment to disclose debarred companies on the Bank's web site, as is expected of all MDBs who signed the cross-debarment agreement. We also expect the Bank to further articulate the process of debarring and the respective responsibilities of the entities within the institution responsible for each step in the process.   | Text amended. The Bank is moving forward on debarment, which included both amending the structure of the Bank and the publication of the company. The approval process of cross debarment should be finalized by the end of 2010.  |
| 123 | Sweden        | Section 4 | Para. 4.20 | The bank should emphasise the it will use clear, effective and updated procurement rules based on best international practices.   | Text amended.  |
| 124 | United States | Section 4 | Para. 4.21 | Suggest using more precise language in reference to public financial management and procurement, which are separate elements of fiduciary controls. In para 4.21, the penultimate sentence should read "... integrated approach to the implementation and supervision of public financial management functions in country systems."   | Text amended.  |
| 125 | United States | Section 4 | Para. 4.21 | And the final sentence should read: "... fine-tune its public financial management and procurement framework and processes ..."   | Text amended.  |
| 126 | United States | Section 4 | Para. 4.21 | Country Systems: Suggest highlighting that progress on Paris Declaration indicators is contingent on countries developing strong, reliable systems. Improving country public financial management and procurement systems is an important development goal and relates especially to efforts for good governance. We welcome the articulation of the elements of the Bank Group's approach in para 4.21, which together will serve to improve borrower country capacity and systems, with a view to increasing the number of countries whose financial management systems are acceptable to the Bank, and facilitating their use by the Bank where appropriate. | Progress on Paris Declaration and the use of country systems are highlighted in paragraph 4.25.  |
| 127 | United States | Section 4 | Para. 4.22 | Environmental and Social Safeguards: Suggest adding that Management will report to Deputies at the Mid Term Review on progress toward addressing weaknesses in environmental/social elements of quality at entry.   | Agreed. An annual reporting on the quality-at-entry of operations, covering <i>inter alia</i> the social and environmental dimension, will be undertaken based on the readiness reviews of operations. A specific update on the QaE of social and environmental aspects will be provided at the Mid-Term Review. |
| 128 | United States | Section 4 | Para. 4.22 | We welcome plans to strengthen environmental and social safeguards policy and planned staff training. Adequate staff with appropriate expertise is essential to ensure safeguard policies can be fully implemented.   | Noted.   |
| 129 | United States | Section 4 | Para. 4.22 | In light of the weakness in the environmental/social dimension of quality at entry identified by OPEV in its 2009 Quality at Entry evaluation, we would welcome an update by Management at the Mid-Term Review demonstrating how the Bank is addressing this weakness.  | See reply above.   |
| 130 | Germany       | Section 4 | Para. 4.24 | Harmonisation and high level talks should include talks on MDB architecture in Africa" and on "lead areas" of AfDB, WB, EEF and others. (4.24)  | Noted. Discussions on the division of labor between development institutions generally take place at the country level. The Bank will use Country Strategy Papers as a platform for dialogue with countries and partners and to realize its commitments under the Paris Declaration on Aid Effectiveness.        |
| 131 | Sweden        | Section 4 | Para. 4.24 | This paragraph, although long, is rather weak. We would like to see the Bank take a more active and ambitious approach in implementing the Paris Declaration. Also, we would like to see text added at the end of (i)... "effectiveness commitments within the Bank and in regional member countries".  | Text amended.  |
| 132 | UK            | Section 4 | Para. 4.24 | The list of Bank actions to improve Paris Declaration performance should include words along the lines of "identify and make any specific policy or procedural changes that would remove obstacles to improved AfDB Paris Declaration Performance". Given the poor performance reported by the Bank in the last survey, it is important that the text is as clear and strong as possible in reflecting Bank management's commitment to addressing failings.   | Noted. The Road Map on Aid Effectiveness that is scheduled for Board presentation in September 2010 will include specific measures that are necessary to achieve a significant and accelerated progress on the Bank Group's performance.   |
| 133 | Sweden        | Section 4 | Para. 4.25 | We would like to Bank to explain how it currently is working with regional member countries to enhance the capacities of African negotiators. Also, we would like clarification on what the Bank foresees under ADF-12 with regards to extending its support to other UN conventions. Will this work be focussed within the Bank's strategic sectors? Where is the Bank's comparative advantage in this field? It is important that operations remain within the bank's strategic sectors.  | Text amended.  |
| 134 | United States | Section 4 | Para. 4.26 | Civil Society: We welcome the Bank's commitment to improving staff capacity in order to engage with CSOs, and suggest highlighting that such capacity is needed both in headquarters and in field offices. We recommend specifying that staff tasked as focal points for civil society engagement are needed both at headquarters and in field offices to reinvigorate the Bank's dialogue and outreach with civil society.   | Text amended, emphasis is placed on civil society engagement both at Headquarters and country level  |

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| 135 | Sweden        | Section 5 | Para. 5.10    | On PBA: We would welcome receiving the new scenario, as presented to us in Abidjan.   | The scenario presented in Abidjan is on the secure ADF Deputies' website (Abidjan meeting, "PPT Discussion scenario").  |
| 136 | Sweden        | Section 5 | Para. 5.10    | On FSF: We would like to see the report briefly referring to where unused Pillar 2 resources will be channelled and when (see para. 3.23, In the event that resources allocated to Pillar II are not (expected to be) utilized as anticipated, the resources will be folded into the PBA pool for reallocation to all ADF countries in the third year of the ADF-12 cycle.)   | Text amended.   |
| 137 | Switzerland   | Section 5 | Para. 5.10    | PBA is for Switzerland the center piece for allocating scarce resources; hence, we would prefer not to increase the total of 25% set-asides but we are ready to join a consensus. We would appreciate receiving for each of the remaining scenarios the useful overview which has been presented in Abidjan, clearly indicating the percentages of PBA, PBA-linked and non PBA allocations.   | The scenario presented in Abidjan is on the secure ADF Deputies' website (Abidjan meeting, "PPT Discussion scenario"). The other scenarios are included in the paper for the final meeting, <i>Revised ADF-12 Replenishment and Resource Allocation Scenarios</i> . |
| 138 | UK            | Section 5 | Para. 5.10    | We support this text, specifically the agreement to make sufficient resources available to enable the Fragile States Facility to implement the agreed policies.   | Noted.  |
| 139 | Canada        | Section 5 | Para. 5.14    | Support Swedish Deputy's points on synergies between ADF and ADB.   | Text amended and synergies between ADF and ADB instruments are highlighted. Other places where synergies are highlighted in the report are executive summary, paragraph 2.10 and 4.2  |
| 140 | Sweden        | Section 5 | Para. 5.14    | The synergies achieved by using a combination of ADF and ADB instruments should be highlighted.   | Text amended. Other places where synergies are highlighted in the report are the executive summary, paragraph 2.10 and 4.2.   |
| 141 | Switzerland   | Section 5 | Para. 5.14    | Add that in fragile states, PBOs should only be used in combination with a comprehensive package (e.g. analytic work, institution / capacity building, policy dialogue, secondment of experienced personnel, etc.)  | Addressed in paragraph 3.23   |
| 142 | Canada        | Section 5 |               | Please give consideration to giving more prominence in section 5.X to the enhanced focus on performance and expected development impacts in resource allocation under ADF-12. The RO portfolio will be implemented more strategically and based on expected development outcomes. You can use some text in 3.16 and the metric in 5.4 (PBA and PBA-linked) to make this point real in a new 5.05 (you can renumber). Another way is to take some points in 3.16 and integrate it somehow into the opening sentences of 5.4.   | Text of para. 5.4 amended.  |
| 143 | Germany       | Section 6 | Para. 6.1-6.8 | Financial Management:<br>- Question for clarification: What does "commitments over a rolling 10-year window" mean? (6.1). So far Germany delivered unqualified commitments every 3 year for five years?<br>- MDRI: We suggest further discussion on factoring in 85% or 90% of qualified commitments for MDRI-ACC.<br>- We propose a transparent monitoring system and regular reporting on realized commitments by all member countries.<br>- We would be grateful for information on the MDRI financing gap, if any. Harmonization with IDA.  | Management is responding bilaterally to these and other financial management-related questions raised by Deputies.  |
| 144 | United States | Section 6 | Para. 6.12    | Prospective New State Participants: Recommend removing mention of specific countries as prospective participants. We encourage staff to continue their outreach and warmly welcome contributions from any new state participants, but Management risks doing more harm than good by mentioning specific countries with which discussions are still ongoing. (In particular, mentioning Greece seems counterproductive.) Suggest changing the paragraph to: "The Bank Group is finalizing arrangements for Turkey's and Luxembourg's participation in the Fund and membership in the Bank. Deputies also welcomed the participation of Egypt in the ADF-12 negotiations as a potential new state participant. Deputies encouraged staff to continue their efforts to attract new state participants among both RMCs and non-regional countries to the Fund." | Text amended.   |
| 145 | Canada        | Section 7 | Para. 7.2     | Support Swedish Deputy's call for MTR to include institutional reforms (GCI reform matrix and ADF-12 commitments) in order to provide proper context for ADF-13, and regional operations given our decision to devote more resources to this area given mandate considerations and given Management commitment to achieving stronger results in this area. Should we talk about innovations in private sector operations as some of us suggested in Abidjan? The issue of arrears could be interesting depending on country developments.   | Text amended.   |
| 146 | Sweden        | Section 7 | Para. 7.2     | Remove reference to 4-year cycle for ADF-13, but add 1) progress on meeting commitments under PD/AAA, 2) progress on institutional reform (specifically decentralisation and HR), 3) regional operations, lessons learned, 4) FSF, pillar 2 – arrears clearance.  | Text amended.   |
| 147 | Switzerland   | Section 7 | Para. 7.2     | On MTR progress discussions: we propose to delete the discussion on the introduction of a 4-year replenishment cycle for ADF-13 but to add: i) progress regarding climate change (clean energy target), ii) lessons learnt from independent evaluation regarding regional operations and iii) FSF Pillar II/arrears clearance.  | Text amended.   |

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| 148 | Canada      | Section 8 | Para. 8.1 | As for para 8.1, like the Swiss Deputy's suggestion on chair, but does he want to be with us for another round?  | Noted.   |
| 149 | Switzerland | Section 8 | Para. 8.1 | We propose to select the same chairperson for the ADF-13 replenishment negotiations as for the ADF-12 MTR.   | Noted. However, the Coordinator is usually selected for a whole cycle, i.e. the negotiations and the MTR of the same cycle.  |
| 150 | Switzerland | Annexes   |           | Finally, as the exchange rates are now set, we would like to receive an overview worksheet of the overall costs related to ADF-12 (incl. donors' basic contribution, HIPC/MDRI, arrears clearance and grant principal foregone) for each donor per scenario that are still under discussion. Once the final replenishment level has been determined, the corresponding overview should be added as an Annex to the Deputies' Report. | Relevant overviews are included in the paper for the final meeting, <i>Revised ADF-12 Replenishment and Resource Allocation Scenarios</i> .  |
| 151 | Canada      | Annex I   |           | Support Swedish Deputy's call for consistency of Annex 1 with the main body of the report.   | Report has been checked to ensure consistency  |
| 152 | Canada      | Annex I   |           | Agree with call to reflect in Annex 1 reference to assessment of gender mainstreaming as a cross-cutting issue in the Bank's programme of independent evaluation studies.  | Paragraph 3.33 notes gender is a crosscutting issue which will be evaluated in ALL independent evaluation studies. Therefore all evaluations will have gender addressed and there will not be one gender evaluation.   |
| 153 | Germany     | Annex I   |           | ADF and ADB reform matrices should be harmonized to one matrix; differences can be made transparent by different columns.  | Reform commitments agreed during the GCI which are relevant for the ADF have been included in the ADF-12 Implementation Matrix. For ease of reference and information purposes, the GCI Matrix has been appended to the Deputies' Report.  |
| 154 | Sweden      | Annex I   |           | General remark: Ensure consistency with the text of Deputies Report.   | Report has been checked to ensure consistency  |
| 155 | Switzerland | Annex I   |           | General: Consistency between the main text and Annex I should be ensured, especially regarding dates (e.g. para 1.3 and para 1.4): a concrete example is point 1.3 independent review of ROs which is due to be available in 2011 (para 3.17; not ADF-12 MTR as now presented in the Matrix).  | Report has been checked to ensure consistency  |
| 156 | Sweden      | Annex I   | 1.6       | Add independent evaluation of gender mainstreaming.  | Paragraph 3.34 notes that gender is a crosscutting issue which will be taken into account in ALL independent evaluation studies. Therefore all evaluations will address gender and there will not be a separate evaluation of gender.  |
| 157 | Switzerland | Annex I   | 1.6       | Add independent evaluation study on gender mainstreaming as cross-cutting issue (as mentioned in para 3.33).   | Paragraph 3.34 notes that gender is a crosscutting issue which will be taken into account in ALL independent evaluation studies. Therefore all evaluations will address gender and there will not be a separate evaluation of gender.  |
| 158 | Switzerland | Annex I   | 1.6       | Add under point 1 "fragile states": independent evaluation reviewing Fund's assistance to fragile states in mid-2011 (para 3.20).  | Text amended.  |
| 159 | Sweden      | Annex I   | 2.8       | Should not achieving the goals/meeting commitments of PD/AAA be a strategic and operational focus?   | The Bank Group is strongly committed to achieving the commitments it made in the Paris Declaration and the Accra Agenda for Action. As part of these commitments, it has elaborated a Roadmap to improve the Bank's performance over time. The Roadmap also establishes systems for internalizing monitoring of the Paris Declaration indicators as a way of operationalising and mainstreaming Paris Declaration commitments across the Bank Group. The Roadmap will be presented to the Board after the summer recess. |
| 160 | Switzerland | Annex I   | 3.11      | Adoption of a Revised Civil Society Engagement Framework: why is the Board approval only scheduled for Q4 2011? It should be advanced to Q2 2011 in light of its importance for the revision of the environmental and social safeguards, point 3.13 scheduled for Board approval in Q4 2011.   | Agreed in part: it is suggested bringing forward Board approval to Q3 2011 pending the recruitment of a CSO Officer. The revised CSOs Engagement Framework will be developed through a participatory process involving key stakeholders such as the AfDB/CSOs Committee. Furthermore consultations will be held with key development partners such as the MDBs to adopt a more harmonized engagement approach.   |
| 161 | Germany     | Annex III |           | We propose to include one indicator under Tab. III-3, below Paris Declaration, for global division of labour: "Financing Volume ADF, ADB, compared to IDA, WB total and per area"  | Suggestion noted. However, Management believes that financing volumes of MDBs are collected, analyzed and reported by OECD and may not be a good measure of aid effectiveness.   |
| 162 | Sweden      | Annex III |           | We strongly welcome the new and improved RMF.  | Noted  |
| 163 | Switzerland | Annex III |           | We strongly endorse the Fund's leading role in developing a comprehensive and meaningful RMF – it is useful that the RMF's of the different MDBs allow to achieve a certain degree of comparability.   | Noted  |

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| 164 | UK            | Annex III |             | Wherever possible and appropriate, results framework indicators should be gender disaggregated.   | Where possible indicators will be disaggregated by gender.   |
| 165 | UK            | Annex III |             | We would like management to consider which indicators could be disaggregated between regional projects and country-specific projects.   | The results reporting system under development should be able to disaggregate all level three indicators between regional operations and country-specific projects.  |
| 166 | Sweden        | Annex III | Table III-1 | We would however like to see some additional indicators: Level 1<br>o Infrastructure Development – “Electricity consumption per capita”: What is this indicator measuring? We should be careful not to use indicators that would “promote” high electricity use. An indicator measuring “persons with reliable access to electricity” would be much better fitted.<br>o The gender indicator is vague. To strengthen the Bank’s ability to fully measure effects and results of Bank operations on men and women we would like to see gender disaggregated indicators/statistics in and for all indicators when this is possible. | Management is currently consulting the Board and internally on a Bank Group Results Measurement Framework (BG RMF). A first discussion of the draft BG RMF was held by the Committee on Operations and Development Effectiveness on 20 July. Following this discussion, Management has made revisions to the indicators in the ADF-12 RMF, and stretched targets where possible. These revisions reflect the initial discussions and an assessment by Management of what can realistically be expected to be achieved by the end of the ADF-12 period. A final version of the BG Results Measurement Framework will be presented to the Board in September 2010, and the ADF-12 RMF will be kept consistent with the BG RMF finally approved by the Board. |
| 167 | Switzerland   | Annex III | Table III-1 | Level-1 Indicators (Gender and Human Development):<br>o employment to population gender indicator: if possible this indicator should be gender disaggregated  | This indicator is gender disaggregated. Explanatory note added.  |
| 168 | Sweden        | Annex III | Table III-2 | Level 2: Again – indicator for gender would be needed. As above, using gender disaggregated indicators in all indicators where this is possible would also be relevant for Level 2.   | We have now included the complete list of Core Sector Indicators in Table III-2 rather than a selection. Where possible, these are disaggregated by gender.  |
| 169 | Switzerland   | Annex III | Table III-2 | Furthermore, we see merits in introducing the following additional/adapted indicators: Level-2 Indicators (additional indicators):<br>o transport: roads sustainably maintained (km); transport costs<br>o water supply and sanitation: target for Rural Water Supply and Sanitation<br>o power and clean energy: add % of clean energy of ADF-12 energy portfolio  | The Level 2 indicators are comprised of the Core Sector Indicators which were approved by the Operations Committee. The CSIs were selected because they represent the most common indicators among the operations in a given sector. We have now included the complete list of CSIs in Table III-2 rather than a selection. We will consider your request when we review the CSIs in 2012.   |
| 170 | UK            | Annex III | Table III-2 | Level 2 Core Sector Indicators: We would like management to commit to setting out end of ADF 12 projections for each of the level 2 indicators at the mid-term review.  | Management commits to reporting ADF 12 projections for level 2 indicators at the mid term.   |
| 171 | Sweden        | Annex III | Table III-3 | Level 3: Are the targets for PD/AAA ambitious enough/realistic?   | The targets for PD/AAA are the commitments made by all signatories for 2010, which may not be achieved. They are thus considered sufficiently ambitious.   |
| 172 | UK            | Annex III | Table III-3 | Level 3 Operational Effectiveness Indicators: The results framework must be accessible and understandable to people with little knowledge of the AfDB. As noted above, we can expect it to be scrutinized by parliamentarians and it must be clear to them. We would therefore welcome an explanation of each of the level 3 and 4 indicators.  | The explanations for each indicator are shown in Annex I of the paper for the Abidjan meeting, <i>The Results Measurement Framework for the ADF-12 Period (2011-13)</i> . Explanations for additional indicators will be provided in an annex to the forthcoming Bank Group RMF.   |
| 173 | Germany       | Annex III | Table III-4 | Please add to Tab III-4 two indicators:<br>- Costs for Board administration (baseline 2009)<br>- Agreement on key issues related to board efficiency and effectiveness achieved (on Governors level).   | An indicator on administrative costs has been added to table III-4. Furthermore, the GCI Matrix has been appended to the Deputies’ Report. Management will report periodically on progress on the GCI reform commitments to the Board of Governors.  |
| 174 | Sweden        | Annex III | Table III-4 | Level 4: We would like to see a more ambitious target for “Operations managed from FOs”.  | Four additional indicators have been added, and two more are being considered by Management. The target for Operations managed from FOs has been stretched.  |
| 175 | United States | Annex III | Table III-4 | Level 4 Indicators on pg. 28: Suggest adding “Project unqualified financial audits on time.” Tracking the timeliness and quality of project financial statement audits, a key element of internal control, would be a highly useful addition to the existing set of indicators of institutional performance.  | This indicator is being discussed by management for possible inclusion.  |
| 176 | UK            | Annex III | Table III-4 | Level 4 Organisational Efficiency Indicators: The proposed targets for the proportion of staff based in, and operations managed from Field Offices are too low. We would like management to consider more ambitious targets for these indicators.   | These targets have been adjusted.  |

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| 177 | UK      | Annex III | Table III-4 | We agree that the GCI reform matrix should be attached as an annex - some of the reforms are relevant to the effectiveness of the AFDF and help make the case for funding. We do not support combining the two matrices (for the GCI and AFDF) as suggested by Germany. We do not think that it is appropriate for Deputies to take over and change, or add to, a matrix that belongs to all shareholders. It would be helpful however if the Deputies text both referred to the GCI matrix and stated how progress on implementing those actions will be reported on, and monitored by, the Board and Governors. | The GCI Matrix has been appended to the Deputies' Report for reference and information. Management will report periodically on progress on the GCI reform commitments to the Board of Governors.  |
| 178 | Germany | Annex IV  |             | What happened to Angola which was once on the list of Blend countries? What is the state of affairs as regards other resource rich countries?   | Angola is currently still an ADF-only country as reclassification has not yet been decided on by the Board (however, it is expected that this decision will be taken before the end of the year). Countries will be proposed for reclassification as and when they meet the relevant income and/or creditworthiness criteria. This generally takes place in the context of a new multiannual CSP. |
| 179 | Germany | Annex VII | Table VII-2 | Please replace Tab. VII-2 with the older version in ADF12 Financing Framework, A1, in order to arrive at a total of 100% Encashment.  | Table amended.  |