

Ex Post Evaluation

About the CEB

The Council of Europe Development Bank (CEB) is a multilateral bank having 39 member states, among which 20 Central and South Eastern European countries. As the oldest development bank in Europe and the only one with an exclusively social vocation, the CEB is a key instrument of solidarity policy in Europe.

Since its inception, the Bank has granted over € 25 billion in loans. In 2006, the CEB approved loans worth a little under € 2.5 billion for 37 projects, spread among 18 countries, including 10 countries from the target group of 20 Central and South Eastern European countries.

The CEB provides loans in development sectors aimed at strengthening social integration, managing the environment and developing human capital. Assistance to victims of natural disasters and to refugees, migrants and displaced populations is traditionally one of the Bank's priorities.



Evaluation of CEB disaster loans

Ex post evaluation at the CEB

The CEB continually strives to enhance the quality of the projects it finances. Within this policy, the ex post evaluation of projects and programmes constitutes a tool both for operational management and for accountability towards its member states.

Ex post evaluation enhances the transparency of operations and contributes to:

- assessing the impact and sustainability of projects and programmes financed by the CEB and investigating their performance and quality
- improving the planning, selection and design of future projects and programmes
- organisational learning within the CEB through the dissemination of lessons and good practice with a view to improving the Bank's assistance and services to clients.

The CEB's approach to natural and ecological disasters

Natural disasters are more frequent and have a greater impact than before. Serious flooding in many parts of Europe has become a predictable, annual happening. Forest fires are increasingly intense and often linked to droughts. Landslides and avalanches are common. South Eastern Europe and Turkey are particularly vulnerable to seismic events. Disasters, great and small, can be expected to affect CEB member states in the decades to come. Assisting regions hit by natural or ecological disasters is one of the Bank's two statutory priorities.

The purpose of the operations carried out by the Bank is, on the one hand, to provide national and local authorities with assistance involving immediate financial support for the reconstruction of the affected areas and, on the other hand, to develop means for the prevention of natural or ecological disasters, along the lines of the Hyogo Framework for Action (see insert).



Greece:
Flood prevention works in Podoniftis River

Hyogo Framework

The CEB adheres to the Hyogo Framework for Action 2005-2015, adopted at the World Conference on Natural Disaster Reduction held in Kobe (Japan) in January 2005. The framework places emphasis on strengthening the local and national capacities of countries at risk and on the need to invest financial resources for the purpose of reducing both the incidence and the gravity of natural disasters.



ROMANIA: Reinforcement of river banks

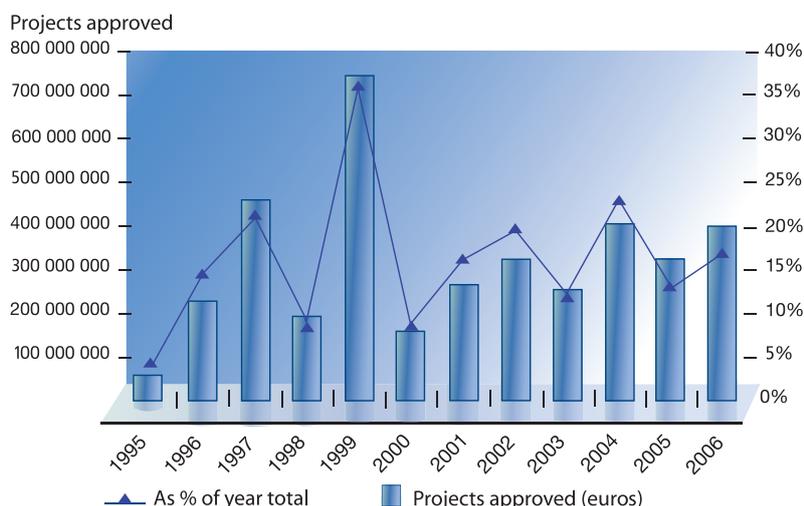
Disaster loan portfolio 1995-2006

The CEB has made reconstruction after natural and ecological disasters a sectoral line of action by responding to emergency situations and taking sustainable action in favour of risk prevention.

The financing and supervision of natural disaster projects constitute a substantial share of its activity. From 1995 to 2006, the CEB approved natural disaster projects

amounting to over € 3.8 billion (2 billion in disbursements), some years exceeding 35% of the loan portfolio and a quarter of the CEB's total disbursements.

Demand for disaster relief remains high: loans for some € 2 billion were approved from 2000 onwards, although disbursement did not always match that demand.



Evaluation programme and synthesis of CEB's natural and ecological disaster projects

Evaluation criteria

The measure of the performance and quality of project preparation and implementation is based on the criteria of *relevance, effectiveness, efficiency, impact* and *sustainability*, and is subject to a rating system.

Specific attention is given to **CEB value added** in disaster loans.

The importance of natural disaster loans within the CEB's portfolio justified the choice of this sector for a first series of ex post evaluations launched by the CEB in 2003.

The objective of this evaluation programme was to assess the extent to which:

- project objectives were in line with the CEB's mandate
- project objectives were reached
- final beneficiaries had their living standards restored or improved
- reconstruction works met satisfactory standards
- the CEB was effective and efficient in project appraisal / monitoring

Ex post evaluations were performed on 11 loans to 5 different member states, approved

between 1995 and 1999, for a total loan amount of over €1 billion.

Each evaluation provides conclusions, lessons and recommendations addressed to the CEB and its borrowers. The methodology includes a technical assessment of the design, quality and maintenance of civil works and a socioeconomic survey to measure the satisfaction of beneficiaries.

The evaluation synthesis draws conclusions, lessons and recommendations for the CEB with a view to improving the effectiveness of its future action. The assessment of the CEB's value added in the natural disaster area provides recommendations for enhancing CEB activity in this field.

SPAIN: Restoring cultural heritage after heavy flooding in Italica, Andalusia



Lessons and recommendations from disaster project evaluations

The eleven projects evaluated were successful in achieving their basic purposes. Most projects fulfilled clear, priority needs and were found relevant, effective and efficient. They produced a variety of economic, social, environmental and cultural effects.

There is however little evidence that the CEB has provided significant value added over other financing institutions through its disaster loans.

The following suggestions for improvement are made.

Project preparation and implementation

- Enhance the effectiveness of projects by strengthening project preparation and implementation
- Privilege longer term reconstruction and prevention above direct emergency relief, for which better adapted organisations exist

- Reinforce risk prevention measures within projects
- Beneficiary participation in projects should be sought when meaningful, consultation in most cases, and communication of quality information in all cases
- Projects and borrowers would benefit from improved coordination and communication between different lending institutions

Risk prevention policy

- The strategic direction taken by the CEB to actively promote and finance risk prevention and management programmes should be strongly encouraged
- It can be further reinforced by setting up an internal Task Force to draw up disaster relief, recovery and prevention guidelines.



POLAND: River bank repair: before and after intervention

Joint Conference with the World Bank 20-21 November 2006

The conference *Disaster Risk Management: Taking Lessons from Evaluation* jointly organised with the World Bank brought together a great variety of multi- and bi-lateral donor organisations and NGOs to share their experience in the evaluation of disaster projects, programmes and policies.

The conference focused on the good practices and the learning opportunities provided by evaluation. It specifically emphasised how evaluation results feed back into operations.

The 1st day of the conference featured discussions on evaluations and evaluation response concerning disaster projects, programmes and policies by a variety of representatives from donor organisations.

The *Evaluators' Roundtable* on the 2nd day of the conference generated constructive debate on evaluation approaches to natural disaster related work. It focused on innovations and methodological lessons learned.

Conference "Disaster Risk Management: Taking Lessons from Evaluation" jointly organised with the World Bank, 20-21 November 2006 in Paris. Results available on www.worldbank.org/ieg/naturaldisasters/paris/.



Recent CEB disaster loans

Since 2004, over € 1 billion in disaster projects has been approved, mainly focusing on flood prevention, in the following member states:

- > **Italy:** reconstruction after flooding in the Piedmont, Venice and Lombardy regions; reinforcement of the banks of the Arno River
- > **Hungary:** regulation of the level of the Tisza River in order to prevent floods, through a system of floodwater storage basins
- > **Poland:** reduction of extreme floods of the Odra River
- > **Romania:** various flood prevention projects
- > **Serbia:** relocation and rehabilitation of houses and related infrastructure destroyed by landslides



TURKEY: Reconstruction after an earthquake

Ex Post Evaluation Department

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Ex Post Evaluation Department

Created end 2002, the Ex Post Evaluation Department (DEP) has defined guidelines in accordance with international best practice and OECD DAC Guidelines. The Department is independent from the Bank's operational services and reports directly to the Governor. It has established an Advisory Working Group, consisting of 5 top experts in the evaluation area. Evaluations are either conducted internally or performed by external consultants.

The Ex Post Evaluation Department works on the basis of evaluation programmes, consisting of a series of evaluations of projects/programmes in one of the Bank's sectors of activity (social housing, natural disasters, etc.). Each evaluation programme

starts with an analysis of the Bank's portfolio and a review of good practices in the sector. This leads to the setting of an analytical framework from which terms of reference for individual evaluations are derived. After completion of individual evaluations, each programme ends with a synthesis providing lessons and recommendations for the sector concerned.

Following the first evaluation programme concerning CEB loans in the natural disaster sector, programmes in the fields of job creation, social housing and education are underway, while a programme of health projects is about to start.

GREECE
Measurements, during
ex post evaluation, of
concrete strength of CEB
financed housing after an
earthquake in the
Kozani-Grevena area

