

Connecting the Dots for Greater Development Impact

The development patterns of nations feature multiple dots, each with distinct histories, geographies, and characteristics. Connecting these dots, according to evaluation findings, is key to getting good results from various interventions.

The stakes in strengthening these links are high. The proportion of the population living in poverty in the Asia and Pacific region has come down sharply over the past decade—faster than anywhere else in the world. Yet, because populations have surged, the absolute numbers living on less than \$2 a day is still 1.6 billion people in the region, and has actually increased in some countries. Add to this picture the rise in the incidence and severity of economic and natural crises, and the stress on Asia's poor becomes more acute. That is why getting stronger results from development efforts is a top priority.

But what differentiates strong outcomes from weak ones? Evaluative evidence points to the vital role links play in the patterns of development. These involve projects and programs in different areas, at different times, and the work of different players. Building synergies across areas, across times, and across players seems key to improving the development effectiveness of the Asian Development Bank (ADB) and other development practitioners and policymakers.

These important links fall into three categories. The first is horizontal, across areas such as education and employment; water supply, sanitation and health; and roads and the environment. Here, the sector-wide approach modality—whereby development partners and governments pool resources to support integrated development—is expected to be among the best ways to increase efficiency in project implementation. For example, evaluation showed that it proved effective in an ADB sector assistance program for universal coverage of primary education in Bangladesh, which benefited from strong coordination links.

The second link is vertical, going from inputs or initial interventions to the more final outcomes—for example, from immediate relief and reconstruction during a natural calamity to incorporating preventive measures to deal with recurring disasters.

The third is a time dimension that distinguishes the differing impact of similar interventions over time or the differing ways in which the past connects to the future. For example, in the need to build infrastructure differently from even successful cases in the past to incorporate climate considerations. Better data and information are crucial to appreciating and acting on these connections.

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Seizing synergies magnifies outcomes

Individual project outcomes, even when positive, do not necessarily translate into equally positive country outcomes. That is because other factors, such as the effectiveness of projects in other arenas and national policy considerations, influence aggregate country impacts.

What is more, focusing efforts on one sector, let alone one project, to get to a wider impact may not be adequate or even optimal. In seeking health impacts, for example, improving access to safe drinking water or improving sanitation can have a more powerful health impact than some interventions that fall within the sole ambit of the health sector. And investments in water and sanitation have a better chance of reducing water-related diseases if joined with education efforts promoting good hygiene, as evaluative lessons (1992–2009) from ADB lending to rural water supply and sanitation projects showed. Such relationships highlight interactions within and across sectors that in turn can influence country outcomes.

A series of evaluative findings at the project or sector levels make the case for connecting the dots horizontally. An evaluation of rural roads showed that many poor people simply do not have the means to take advantage of a rural road. In Bhutan, the use of electricity for income-generation had been limited in the absence of investments in access roads, market development, irrigation systems, and skills. Similarly, research in Viet Nam identified links between education outcomes and returns to irrigation, especially for the poorest.

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These examples call into question the merit of overshooting the target of a certain percentage in the total financing for core infrastructure related sectors in ADB's strategy; as has been the case recently. Considerations of development effectiveness would therefore call for a balance in ADB's presence in highly

complementary areas, rather than lopsided portfolio areas.

Infrastructure investments need to be complemented by investments in people and natural resources to enable the expected benefits from connectivity. That said, individual projects are not required to have multiple features, but efforts are needed to link related elements. For example, it was found that investments in roads funded by ADB in the Pacific islands, to have the expected impact, needed to be effectively connected with investments in capacity development from partners.

Immediate objectives must connect to the final

Responding quickly to urgent development needs, essential as this is, often diverts attention from root causes and underlying issues; compromising the final goals. When natural disasters strike, swift responses are critical. But quality is easily traded for speed in many post-disaster situations. Immediate interventions also need to feed into longer-term solutions. If not, countries facing persistent risks from natural disasters—such as cyclone ravaged Bangladesh or the Pacific islands—can find themselves in a near-permanent state of recovery. Disaster preparedness and prevention programs need to become part of development strategies for countries prone to natural calamities.

In education projects, countries and multilateral development banks have largely focused on increasing access to schooling. Most past efforts did not achieve adequate impacts on improved reading, writing, and math skills and other learning outcomes. Where an assessment of such outcomes was done—for example, by measuring improved student learning or increased cohort survival for basic education or by increased employment opportunities for higher education—the results often looked weak. New strategies for education in countries and some multilateral development banks have begun to account for these links.

Focusing only on the immediate predicament or proximate needs risks losing sight of the desired results. In these instances, the implication may not be that a single financier tries to support all the goals, but rather that the strategy of each sees the bigger picture and the work of different players is

connected. Evaluation consistently shows that such coordination or collaboration across areas and among partners has been a weak link in the development process. Both mundane bureaucratic issues, which deter partnerships from blossoming, and deeper motivational issues for acting as true partners, need to be addressed. Within multilateral development banks the system of incentives needs to encourage staff to move away from thinking in boxes and focus on cross-cutting and results-oriented interventions.

The changing links between the past and the future

In a rapidly changing environment, development challenges in Asia and the Pacific are becoming more complex. Replicating what worked in the past—even for highly rated projects—is no guarantee for continuing success. Context matters, and when contexts change ways of addressing them may need to change. Policymakers need to focus on underlying conditions and adapt to dynamic situations.

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Take the pressing issue of sustainable water management in Asia. Besides constraints on availability, new challenges such as coastal zone management, pollution reduction, and groundwater conservation are emerging. In the transport sector, besides a burgeoning demand for roads, crucial links with energy, land use, urbanization, climate change and the environment require cross-cutting approaches. Evaluation on reducing carbon emissions in ADB-backed transport projects recommended that ADB focus more resources on supporting sound urban planning and management that integrates transport, urban design, land use, and environmental protection; rather than standalone transport plans and capital projects. Clearly, a given investment need not cover all aspects, nor can one agency do it all. But it is important to connect the dots; first in the planning process, then making sure they are connected during implementation through adequate provision for monitoring evolving outcomes.

The environment increasingly constitutes a major challenge for Asia and the Pacific and new approaches need to be tested soon. The share of projects with environmental sustainability objectives increased from 8% in Asian Development Fund (ADF) VIII to 34% in ADF X. Work is ongoing at ADB on several environmental initiatives related to climate change, clean air in Asian cities, energy efficiency, sustainable transport, and the nexus between environment and poverty. Because these initiatives are fairly new, results have yet to be assessed. There are early findings on the greenhouse gas implications of ADB's energy operations and progress in reducing carbon emissions from transport projects. But efforts need to be stepped up.

As conditions change, evaluative lessons from past experience may need to be coupled with creative and innovative approaches when applying them to the dynamic situations of the future. For next-generation projects, the focus needs to shift to tackling the toughest challenges to achieve better development results. Such shifts may call for moving beyond repeating easy-to-implement projects and taking on riskier activities in the interest of greater development impacts that are sustainable. One challenge for evaluation is to encourage taking on riskier and more innovative directions; recognizing that efforts are being made under more difficult circumstances while at the same time ensuring results are judged objectively and rigorously.

Conclusion

For some time now, ADB and other multilateral development banks have been moving away from simply providing finance to ensuring that funding achieves beneficial results. But linking financing and other inputs to the desired development results requires logical steps related to cause and effect. It is imperative to understand how key interventions add up to produce results by seeing their links horizontally, vertically, and over time; and reflecting them in country partnership strategies.

Development processes will benefit if the dots—be they the work in different sectors or the work of different partners—are better connected. Evaluation has a special role to play in highlighting these critical but often overlooked links and providing the results in time to influence decision making.

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About the Asian Development Bank

ADB's vision is an Asia and Pacific region free of poverty. Its mission is to help its developing member countries reduce poverty and improve the quality of life of their people. Despite the region's many successes, it remains home to two-thirds of the world's poor: 1.8 billion people who live on less than \$2 a day, with 903 million struggling on less than \$1.25 a day. ADB is committed to reducing poverty through inclusive economic growth, environmentally sustainable growth, and regional integration.

Based in Manila, ADB is owned by 67 members, including 48 from the region. Its main instruments for helping its developing member countries are policy dialogue, loans, equity investments, guarantees, grants, and technical assistance.

Learning Lessons is a synthesis of key lessons drawn from evaluations of ADB-supported projects and programs. This synthesis may include contexts derived from literature review. Lessons presented in this brief are not prescriptive, and users are advised to carefully review these lessons in the context of country, sector, and thematic conditions.

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