

Session 2 – Public Sector Expert Assessments



Mona Prasad

World Bank Group
Economic Adviser



Toussaint Houeninvo

African Development Bank
Chief Country Economist



Rommel Rabanal

Asian Development Bank
Senior Economist

Workshop on Underlying Data Sources of Worldwide Governance
Indicators - March 2025

Country Policy and Institutional Assessment (CPIA)

Mona Prasad – Economic Adviser
Operations Policy and Country Services (OPCS)
The World Bank



Overview: scope and objectives of the CPIA



Design and structure: CPIA Clusters and Questions



Process, roles, and responsibilities



Quality Assurance

Overview: scope and objectives of the CPIA

Assesses annually the quality of a country's *current* policy and institutional framework through a set of criteria

- How conducive the framework is for fostering sustainable growth and poverty reduction and consequently the effective use of development assistance
- Focus on policies and institutional arrangements more than on outcomes, which may be influenced by elements outside country's control

Applies to all IDA-eligible countries and selected IBRD countries

- IBRD countries are included every three years, in three separate groups

Overview: scope and objectives of the CPIA

CPIA scores guide the allocation of concessional (IDA) resources

- Through the performance-based allocation (PBA) system and formula

Assist in assessing debt sustainability

- Through the country's debt-carrying capacity

Inform corporate activities and processes

- Supports various functions within the WBG and it is used by other partners

Design and structure: CPIA Evolution

- CPIA criteria have *evolved* over time, reflecting lessons learned and the evolution of the development paradigm
- Changes refined some criteria, added new ones or modified the process.
- Shift from macro focus to include governance aspects and broader coverage of social and structural dimensions
- Unnecessary overlap between questions were eliminated and the relevance of rating *implemented policies* rather than *intended* policies confirmed

Design and structure: CPIA Clusters

- The CPIA 16 questions are grouped in four Clusters:

Cluster A: Economic Management

- Focuses on management of economic policies

Cluster B: Structural Policies

- Deals with policies related to economic structure

Cluster C: Policies for Social Inclusion and Equity

- Assess policies promoting social inclusion and ensuring equity

Cluster D: Public Sector Management and Institutions

- Focuses on management of public sector and institutional policies

- CPIA overall score is an unweighted average of Cluster scores

Design and structure: CPIA Questions

Cluster A: Economic Management

1. Monetary and Exchange Rate Policies
2. Fiscal Policy
3. Debt Policy and Management

Cluster B: Structural Policies

1. Trade
2. Financial Sector
3. Business Regulatory Environment

Cluster C: Policies for Social Inclusion and Equity

1. Gender Equality
2. Equity of Public Resource Use
3. Building Human Resources
4. Social Protection and Labor
5. Policies and Institutions for Environmental Sustainability

Cluster D: Public Sector Management and Institutions

1. Property Rights and Rule-based Governance
2. Quality of Budgetary and Financial Management
3. Efficiency of Revenue Mobilization
4. Quality of Public Administration
5. Transparency, Accountability, and Corruption in the Public Sector

Design and structure: CPIA Questions

- Each question is rated on a scale of 1 (low) to 6 (high)
 - 1 corresponds to very weak performance, 6 to very strong. Intermediate scores (e.g., 1.5, 4.5) are allowed
 - Scores of all questions weight equally to calculate each Cluster's average score
 - An unweighted average of the Cluster (average) scores gives the overall CPIA score

Process, roles and responsibilities



Process, roles, and responsibilities

Assessment Phase

- Experts from country teams prepare write-ups and propose scores
- *CPIA Criteria* and *CPIA Guidance Notes* provide guidance to Experts on how to assess each question and assign scores
 - Both documents help identify sources of information for each question
- Country Economists and Regional Assessment Coordinators coordinate at country and regional levels, respectively
 - For IDA countries, Country Economists undertake early consultations with government
- Write-ups and scores are vetted by Country Directors and Regional Chief Economists for quality and comparability at regional level

Process, roles, and responsibilities

Review Phase

- Reviewers from Verticals / Global Practices review assessments (write-ups and scores) prepared by country teams
- Experts from Assessment Phase prohibited from reviewing own assessments, ensuring objectivity
- Global Directors clear the reviews
- Accepted assessments are finalized. Rejected assessments go back to country teams for adjustment or justification, and a second round of reviews is triggered

Process, roles, and responsibilities

Reconciliation Phase

- If after two rounds of reviews country teams and reviewers do not agree, OPCS – global coordinator – resolves remaining disagreements
 - Decision is based on Guidance documents and discussions by participants
 - Usually less than 1% of total cases arrive to this stage
- CPIA Data is managed by OPCS.
 - Scores for IDA-eligible countries is public. All other information (scores for IBRD countries and write-ups for all countries) is confidential.

Quality assurance

Vetting and Validation at assessment stage

- Initial write-ups and scores by Experts are vetted by CDs and Regional Chief Economists

Two-Stage Review

- Reviewers evaluate initial assessments, accept them or propose changes
- Reviews are vetted by Global Directors and rejections are sent back to Experts
- The process is repeated once more for unresolved cases

Reconciliation

- Resolution disagreements remaining after second review by OPCS

Quality assurance

- Role of the Guidance documents
 - All participants apply the same guidance documents (CPIA Criteria and CPIA Guidance Notes) prepared by Global Practices
 - CPIA Criteria allows rating countries on their *current* status, focusing on performance for each question. It describes in detail the dimensions that policy and institutional setups should accomplish for each score. It also suggest Guideposts, indicators to assist teams in ranking countries. All this reduces the scope of subjectivity.
 - CPIA Guidance Notes complement the Criteria and guide teams on the main features to be included in the write-ups and provide more detailed sources of statistical information
 - CPIA Guidance Notes are revised and adjusted annually by Global Practices / Verticals

Quality assurance

- Role of the CPIA Platform
 - Central IT tool for managing the CPIA process, ensuring transparency and traceability of assessments, reviews, and reconciliation
 - Provides a structured interface for Experts to submit write-ups and scores and for Reviewers to provide feedback and accept / reject cases
 - Facilitates coordination between Regional Assessment Coordinators, Country Assessment Coordinators, and Experts during assessment, and between Regional Coordinators and Reviewers during review stage
 - *Prevents* direct contact between Experts and Reviewers to ensure robust, independent process

Quality assurance

CPIA Process include sufficient controls to mitigate biases and subjectivity

- Detailed guidance documents prepared by Global Practices
- Rounds of reviews with independent quality controls with participation of country teams, Regional Chief Economist Offices, and Global Practices / Verticals
- A CPIA Platform that facilitates the Process and maintains transparent records

Thank you

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World Bank's Workshop on **UNDERLYING DATA SOURCES OF THE WORLDWIDE GOVERNANCE INDICATORS**

Session 2 – Public Sector Expert Assessments:
Presentations and Discussion

Washington DC, 14 March 2025



AFRICAN DEVELOPMENT BANK GROUP
GROUPE DE LA BANQUE AFRICAINE
DE DEVELOPPEMENT

Toussaint Houeninvo, PhD
Chief Country Economist

Outline



Overview of structure of AfDB CPIA

(motivation, history and scope)

Motivation

- Assess performance of Countries 'policy and institutional frameworks.
- Measure the capacity of a country to support sustainable growth, poverty reduction, and the effective use of development assistance
- It is based on the scoring of 18 criteria covering different aspects of development made of **5 Clusters**: *Economic management*, **Public sector management**; **Structural policies**; *Social inclusion and equity*; and *Infrastructure and regional integration*.
- The scores range between 1 (very weak) and 6 (very strong)

History & Scope

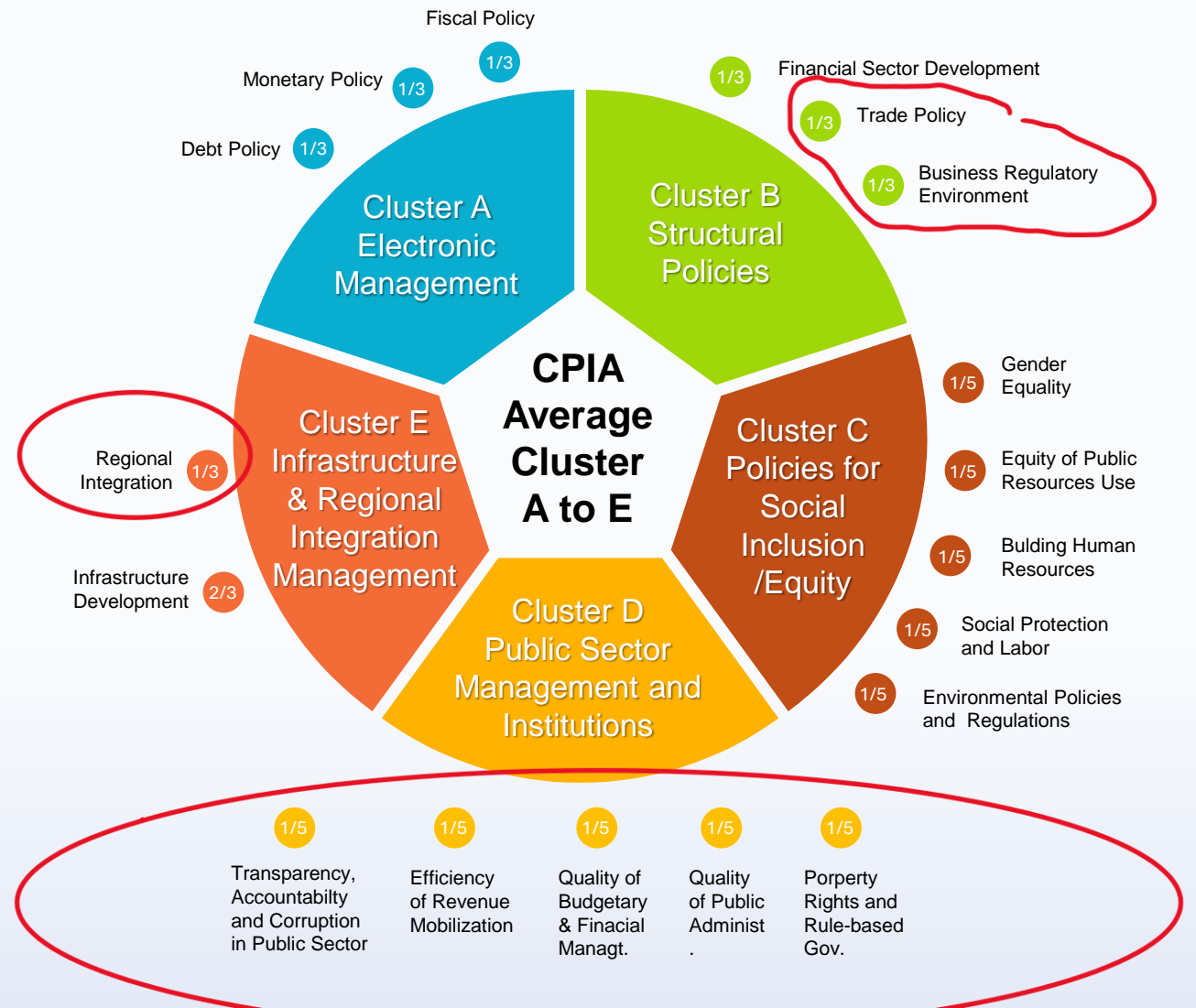
- 2004-2023, every year (2004-2015) and every 2 years since 2016
- For greater harmonization and consistency among MDBs, the AfDB CPIA questionnaire is aligned (but not identical) to that of the World Bank

Overview of structure of AfDB CPIA(cont...



- Today's presentation will focus on **8 criteria covering mainly Cluster D (Public sector management and Institutions), 2 criteria of cluster B (Structural policies) and 1 criterium of cluster E (Infrastructure and Regional Integration).**

Figure 1 – Composition of CPIS scores



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Survey Design

Methodology

- CPIA Questionnaire that aims at identifying progress over the last 24 months and identifying policies and regulations that have triggered these changes
- Detailed scoring guidelines

Geographical coverage

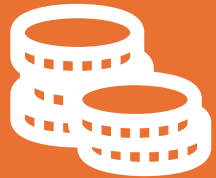
- All Regional Member Countries (RMC)

Analytical Framework

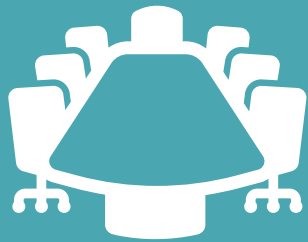
- Critical analysis and rigorous validation framework

Respondent Profiles

(Respondent types, selection criteria, sampling methods, sample representativeness)

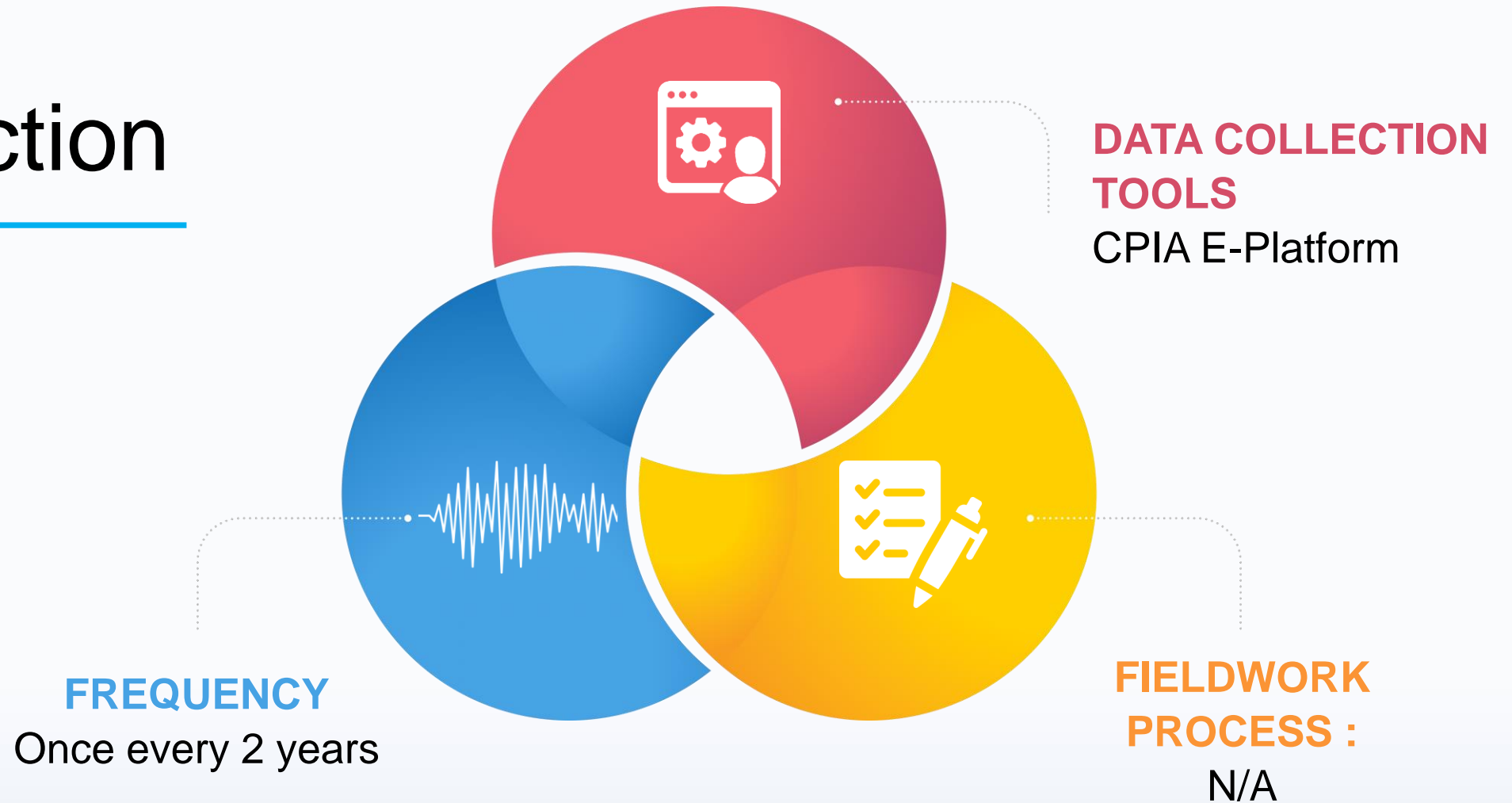


AfDB Country Economists



in consultation with stakeholders : Key Ministries, AfDB focal points, Research Institutions, Private Sector, Development partners, Civil society /NGO

Data Collection



Data Production and Quality Assurance

01 Measures to mitigate bias

CPIA platform with many control layers

02 Validation process

- 1st draft + Peer review by Bank Sector Experts
- Independent External Experts/entities peer review
- Country Team validation
- Final endorsement Session by Regional Departments and Resource Mobilization Department

03 Data verification methods

- Data is reviewed and validated across three iterations

Key messages

(Key insights derived from the governance perception)



Change in Rwanda Ranking over the years

Rwanda moved from 2nd better CPIA (A-D) Score in 2020 (4.928) just before South Africa to 1st place (5.129) in 2023 on account of Improvement in Governance cluster from 4.850 in 2020 to 5.175 in 2023



Benin

Improvement in CPIA (A-D) score from 4.089 in 2020 to 4.302 in 2023 on account of improvement in Governance cluster from 4.017 to 4.325



Ethiopia

Deterioration CPIA (A-D) score from 4.284 in 2020 to 4.190 in 2023 on account of deterioration in Governance cluster from 4.233 to 4.167

Thank you



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The Asian Development Bank's Country Performance Assessment

ADB

Presentation Outline

- Overview: the Asian Development Bank and its Country Performance Assessment (CPA) exercise
- The CPA: Design and Data Collection Methodology
- Complementarities between the CPA and peer multilateral development banks' assessments
- Data issues and challenges

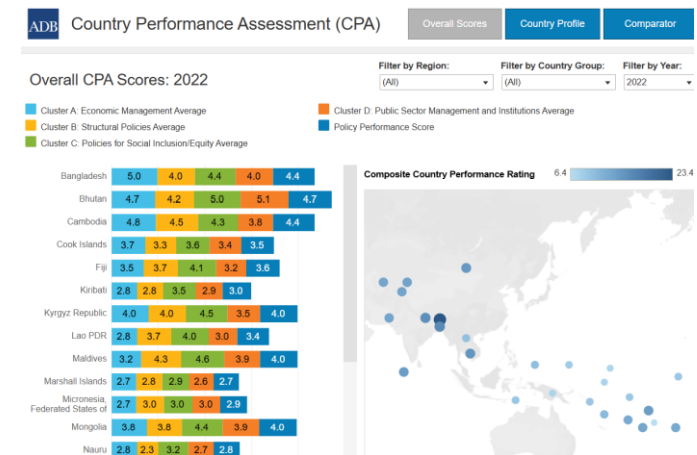


PUBLIC
October 2024

Report on the 2024 Country Performance Assessment Exercise

This document is being disclosed to the public in accordance with ADB's Access to Information Policy.

Asian Development Bank





Overview:

*The Asian Development Bank and its
Country Performance Assessment*

The Asian Development Bank

- Founded in 1966, ADB is a multilateral development bank with 69 members—49 from the region
 - ✓ 46 developing member countries in **Asia and the Pacific**
 - ✓ 40 countries with operations, of which **29 are eligible for concessional assistance**



ADB's Three-Tier Country Classification System

Group A (18 countries)

- Eligible for **grants** and/or **concessional lending**
- **Grants-only:** high risk of debt distress
- **Blend of grants and concessional loans:** moderate risk of debt distress (and concessional loan allocation)
- **Concessional lending-only:** low risk of debt distress (or per capita income above threshold)

Group B (11 countries)

- Eligible for **concessional loans** and regular/ **market-based financing**
- Eligible for **theme-based grant assistance**, on a selective basis

Group C (12 countries)

- Eligible for only regular/ **market-based financing**
- **NOT** eligible for concessional resources (except for technical assistance)

Concessional Assistance-Eligible Countries

Group A: Concessional assistance-only (CA-only)				
ADF-eligible			IDA Gap (COL-only)	Group B: OCR Blend
ADF-only High risk of debt distress	ADF Blend Moderate risk of debt distress	COL-only Low risk of debt distress		
Afghanistan f	Bhutan	Myanmar f	Cambodia	Bangladesh
Kiribati fσ	Kyrgyz Republic	Nepal	Lao PDR f	Cook Islands σ
Maldives σ	Micronesia, FS fσ			Fiji σ
Marshall Islands fσ	Nauru fσ			Mongolia
Samoa σ	Solomon Islands fσ			Niue fσ
Tajikistan				Pakistan
Tonga σ				Palau σ
Tuvalu fσ				Papua New Guinea fσ
Vanuatu fσ				Sri Lanka
				Timor-Leste fσ
				Uzbekistan

f = fragile and conflict-affected situation, **σ** = small island developing state

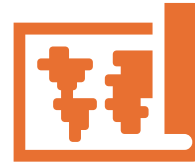
ADB's Country Performance Assessment (CPA)



Diagnostic tool to assess the policy and institutional framework of DMCs



Conducted every 2 years; fully aligned with the World Bank's CPIA



Covers 29 DMCs accessing concessional resources



Numeric ratings on all performance criteria

Note: The 2024 CPA (i) was not carried out for Afghanistan and Myanmar, for which ADB has put on hold all regular operations because of the political situation in both countries, and (ii) includes Sri Lanka which was reclassified from group C to group B effective 5 June 2023.

CPA helps determine allocations of concessional resources



Development assistance most effective in strong institutional contexts



CPA gauges quality of policy and institutional frameworks, also provides a venue for policy



ADB's performance-based allocation system considers country needs, absorptive capacities, and policy and institutional frameworks





The Asian Development Bank's CPA: *Design and Methodology*

CPA Indicators: Fully aligned with the World Bank CPIA



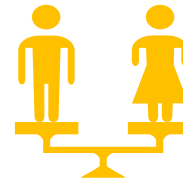
A. Economic Management

1. Monetary and Exchange Rate Policies
2. Fiscal Policy
3. Debt Policy and Management



B. Structural Policies

4. Trade
5. Financial Sector
6. Business Regulatory Environment



C. Policies for Social Inclusion/Equity

7. Gender Equality
8. Equity of Public Resource Use
9. Building Human Resources
10. Social Protection and Labor
11. Policies and Institutions for Environmental Sustainability



D. Public Sector Management and Institutions

12. Property Rights and Rule-based Governance
13. Quality of Budgetary and Financial Management
14. Efficiency of Revenue Mobilization
15. Quality of Public Administration
16. Transparency, Accountability, and Corruption in the Public Sector

Principles and Guideposts



Assessment period is the past 24 months
(e.g., July 2022–June 2024 for the latest round, CPA 2024)



Evaluate current
Status using a rating scale of 1–6,
guided by detailed CPIA assessment
criteria (latest as of 2023)



Ratings based on actual policies,
not policy pronouncements or
intentions



Focus on policies and
institutions under authorities'
control

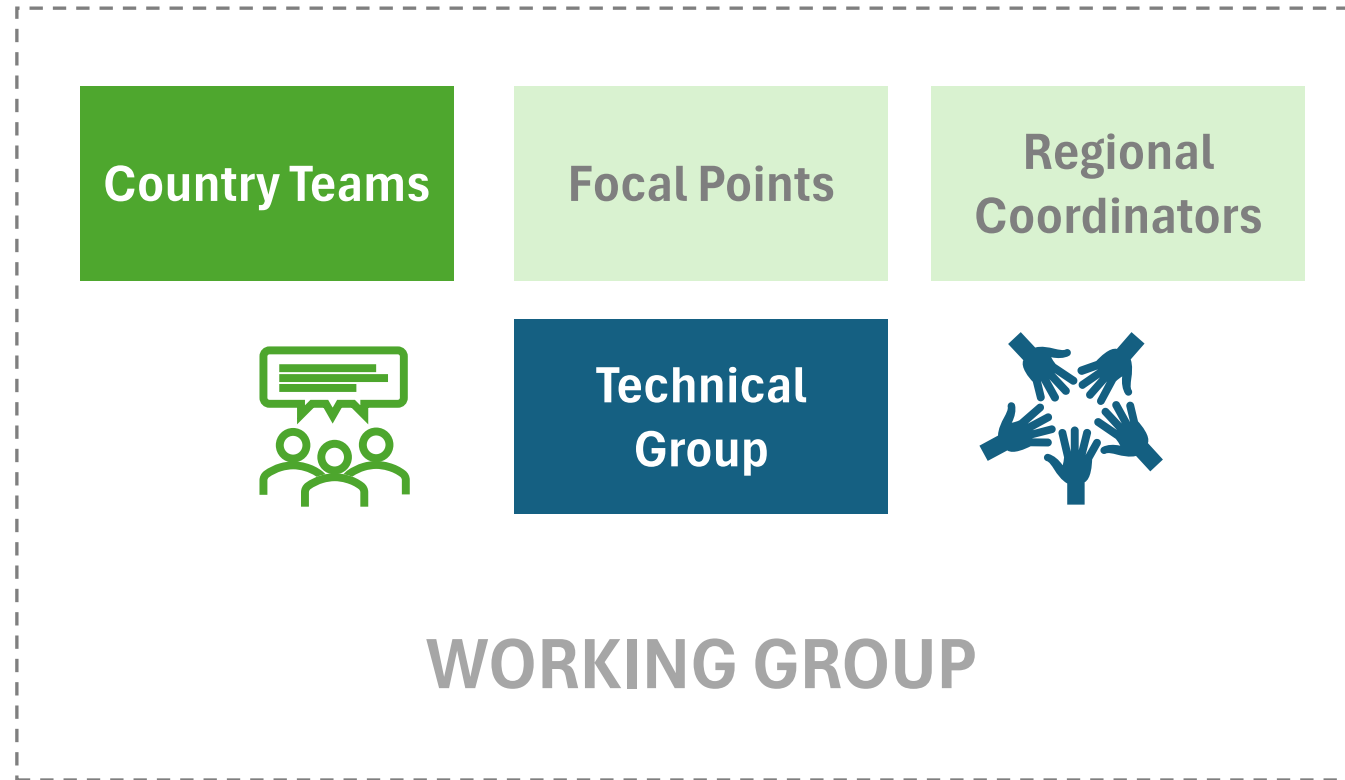


Performance standards
applied consistently
across countries



CPA scores
not to be “negotiated” with
authorities

CPA Functional Teams



Key CPA Methodologies



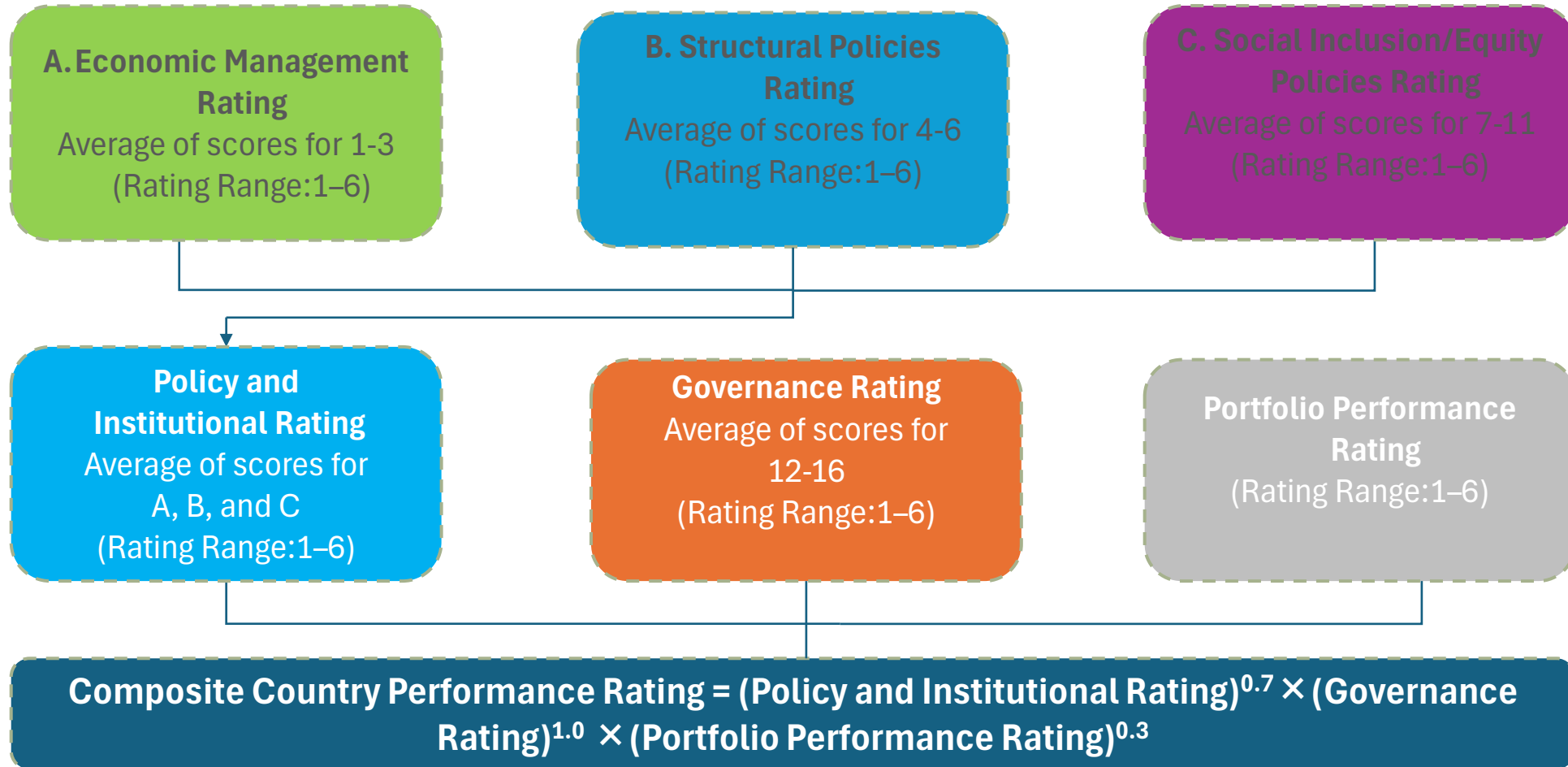
- **Country Teams**

- ✓ Primary data gathering through informant interviews and stakeholder discussions
- ✓ Secondary information from document reviews (including sources that may not be available online)

- **Technical Group**

- ✓ Sector and/or thematic expertise
- ✓ Application of cross-country knowledge

Composite Country Performance Rating (CCPR)



2024 COUNTRY PERFORMANCE ASSESSMENT RATINGS

DMCs	A. Economic Management				B. Structural Policies				C. Policies for Social Inclusion/Equity					D. Public Sector Management and Institutions						Policy Performance Score 2024 ^a	CCPR 2024 ^b						
	1	2	3	Average	4	5	6	Average	7	8	9	10	11	Average	12	13	14	15	16			Average	17				
	Monetary and Exchange Rate Policies	Fiscal Policy	Debt Policy and Management		Trade	Financial Sector	Business Regulatory Environment		Gender Equality	Equity of Public Resource Use	Building Human Resources	Social Protection and Labor	Policies and Institutions for Environmental Sustainability		Property Rights and Rule-based Governance	Budgetary and Financial Management	Quality of Revenue Mobilization	Efficiency of Administration	Quality of Public Administration				Transparency, Accountability, and Corruption in the Public Sector	Portfolio			
Group A																											
Bhutan	4.5	4.5	4.5	4.5	4.5	4.0	4.0	4.2	4.5	5.0	5.0	4.5	5.5	4.9	5.0	4.5	5.5	5.5	5.0	5.1	3.5	4.67	21.36				
Cambodia	4.5	5.0	5.0	4.8	5.0	4.0	4.5	4.5	4.5	4.5	5.0	4.0	3.5	4.3	3.5	4.5	4.0	4.0	3.0	3.8	3.5	4.36	15.97				
Kiribati <i>fσ</i>	3.0	3.0	3.0	3.0	4.0	2.5	2.0	2.8	3.0	3.0	4.0	3.5	4.0	3.5	3.5	2.5	3.5	2.5	3.0	3.0	4.0	3.08	10.06				
Kyrgyz Republic	4.5	4.5	4.0	4.3	4.5	4.0	4.0	4.2	4.5	4.5	5.0	5.0	4.0	4.6	3.5	4.0	4.5	4.0	4.0	4.0	3.5	4.28	16.35				
Lao PDR <i>f</i>	2.5	3.0	2.0	2.5	4.5	3.0	3.5	3.7	3.5	4.0	4.0	3.5	3.5	3.7	3.0	3.0	3.0	3.0	2.5	2.9	3.0	3.19	9.28				
Maldives <i>σ</i>	3.0	3.0	3.0	3.0	4.5	4.0	4.5	4.3	4.0	5.0	5.0	4.5	4.5	4.6	3.5	4.0	5.0	4.0	2.5	3.8	3.5	3.93	14.55				
Marshall Islands <i>fσ</i>	3.0	2.5	2.5	2.7	3.0	3.0	2.5	2.8	3.0	2.0	3.0	3.0	3.5	2.9	4.0	2.5	2.5	2.0	2.5	2.7	3.5	2.78	8.08				
Micronesia, Fed. States of <i>fσ</i>	3.0	3.0	3.0	3.0	4.0	3.0	2.0	3.0	3.0	2.5	3.0	3.0	3.5	3.0	4.0	2.5	3.0	2.5	2.5	2.9	3.0	2.98	8.70				
Nauru <i>fσ</i>	3.0	3.0	3.0	3.0	3.5	1.5	2.0	2.3	3.5	3.0	3.5	3.5	2.5	3.2	2.0	3.5	3.0	2.5	2.5	2.7	4.5	2.81	8.81				
Nepal	4.5	3.5	4.5	4.2	4.5	4.0	4.0	4.2	4.0	4.0	4.5	4.0	4.0	4.1	4.0	4.0	4.5	3.5	3.5	3.9	3.5	4.08	15.36				
Samoa <i>σ</i>	3.5	4.5	3.5	3.8	4.5	4.0	3.5	4.0	3.5	4.5	4.0	3.5	4.0	3.9	3.5	3.5	4.0	4.0	3.5	3.7	3.5	3.86	14.00				
Solomon Islands <i>fσ</i>	4.0	3.0	3.5	3.5	3.5	4.0	3.0	3.5	3.0	3.0	3.5	3.0	3.0	3.1	3.0	2.5	3.5	2.5	3.0	2.9	3.5	3.25	9.88				
Tajikistan	4.0	4.0	3.5	3.8	4.5	3.5	4.0	4.0	4.0	4.0	4.5	4.0	3.5	4.0	3.5	4.0	4.5	3.5	2.5	3.6	4.5	3.86	14.77				
Tonga <i>σ</i>	4.0	3.5	3.0	3.5	5.0	3.5	3.5	4.0	2.5	4.5	4.0	4.0	4.0	3.8	4.0	3.5	4.5	3.0	3.5	3.7	4.5	3.75	14.70				
Tuvalu <i>fσ</i>	3.0	3.0	3.0	3.0	4.0	2.5	2.5	3.0	3.0	3.0	3.5	2.5	3.5	3.1	4.0	3.0	3.5	3.0	3.0	3.3	4.0	3.10	10.88				
Vanuatu <i>σ</i>	3.0	3.0	3.5	3.2	4.0	3.0	3.0	3.3	3.0	3.0	3.0	2.5	3.0	2.9	3.0	3.5	3.5	3.0	3.0	3.2	3.5	3.15	10.37				
Average Group A	3.6	3.5	3.4	3.5	4.2	3.3	3.3	3.6	3.5	3.7	4.0	3.6	3.7	3.7	3.6	3.4	3.9	3.3	3.1	3.5	3.7	3.57	12.69				
Group B																											
Bangladesh	4.5	4.5	5.0	4.7	4.0	4.0	4.0	4.0	4.5	4.5	4.5	4.5	4.0	4.4	4.0	4.0	4.0	4.0	3.5	3.9	3.5	4.24	15.91				
Cook Islands <i>σ</i>	3.5	4.0	3.5	3.7	4.0	3.0	3.0	3.3	3.5	4.0	4.0	4.0	4.0	3.9	2.5	3.5	4.5	3.5	3.5	3.5	4.5	3.60	13.56				
Fiji <i>σ</i>	3.5	4.0	3.5	3.7	4.5	4.0	3.5	4.0	4.0	4.5	4.5	4.0	4.0	4.2	3.0	2.5	4.0	3.5	3.5	3.3	4.5	3.79	13.57				
Mongolia	4.0	3.5	3.5	3.7	4.5	3.5	4.0	4.0	4.5	4.5	5.0	4.5	3.5	4.4	4.0	3.5	4.5	4.0	3.0	3.8	3.5	3.97	14.66				
Niue <i>σ</i>	3.0	2.5	3.0	2.8	3.5	3.0	3.0	3.2	2.5	3.0	3.5	3.5	2.5	3.0	3.5	3.0	3.0	2.0	2.5	2.8	3.5	2.95	8.80				
Pakistan	3.5	3.0	4.0	3.5	4.5	4.0	4.0	4.2	3.5	4.5	4.0	3.5	4.0	3.9	3.5	4.0	3.5	3.5	3.5	3.6	3.5	3.79	13.48				
Palau <i>fσ</i>	3.0	3.0	3.0	3.0	4.0	3.5	2.5	3.3	3.0	3.0	4.5	3.5	4.0	3.6	4.0	3.0	4.0	2.5	3.0	3.3	4.5	3.31	11.98				
Papua New Guinea <i>fσ</i>	3.0	2.5	3.0	2.8	4.0	4.0	2.5	3.5	2.5	3.0	3.0	2.5	2.5	2.7	2.0	3.0	3.5	2.0	2.0	2.5	3.5	2.88	7.88				
Sri Lanka	4.5	4.0	2.0	3.5	4.5	3.5	3.5	3.8	4.0	4.5	5.0	4.0	5.0	4.5	3.0	4.5	4.0	3.5	3.0	3.6	3.5	3.86	13.70				
Timor-Leste <i>fσ</i>	3.5	3.5	3.0	3.3	5.0	3.0	2.5	3.5	3.5	3.0	3.0	3.5	3.0	3.2	2.5	3.0	3.5	3.0	3.0	3.0	3.0	3.26	9.71				
Uzbekistan	5.0	4.5	5.0	4.8	3.5	4.0	4.5	4.0	4.5	4.5	5.0	4.5	4.0	4.5	4.0	4.5	4.0	4.0	3.5	4.0	3.0	4.33	15.80				
Average Group B	3.7	3.5	3.5	3.6	4.2	3.6	3.4	3.7	3.6	3.9	4.2	3.8	3.7	3.8	3.3	3.5	3.9	3.2	3.1	3.4	3.7	3.63	12.64				
Average (All)	3.6	3.5	3.4	3.5	4.2	3.4	3.3	3.7	3.6	3.8	4.1	3.7	3.7	3.8	3.4	3.5	3.9	3.3	3.1	3.4	3.7	3.60	12.67				

f = fragile and conflict-affected situations, *σ* = small island developing states, CCPR = composite country performance rating, CPA = country performance assessment, DMC = developing member country, FSM = Federated States of Micronesia, Lao PDR = Lao People's Democratic Republic.

Note: Twenty-six concessional assistance countries were assessed. The following considerations were made: (i) the 2022 CPA includes Fiji, which was reclassified as a group B country effective 2022; Niue, which was classified as a group B country effective 2022; and the Cook Islands, which was reclassified as a group B country effective 2023; and (ii) the 2022 CPA was not carried out for Afghanistan and Myanmar, for which ADB has put on hold all regular operations because of the political situation in both countries.

^a The policy performance score is the unweighted average of the four performance indicator clusters: economic management, structural policies, policies for social inclusion and equity, and public sector management and institutions.

^b The CCPR is computed as (policy and institutional rating)^{0.7} x (governance rating)^{1.0} x (portfolio rating)^{0.3}, where the policy and institutional rating is the unweighted average of the scores for clusters A (economic management), B (structural policies), and C (policies for social inclusion and equity); and where the governance rating is the unweighted average of the scores for cluster D (public sector management and institutions).

Source: Asian Development Bank.



Complementarities:

*The CPA and Peer Multilateral
Development Banks' Assessments*

Additional Country Coverage

- Due to differences in country classifications and eligibility for concessional resources, a few countries are covered by the ADB CPA but not the World Bank's CPIA
 - ✓ **Mongolia, Nauru, and Palau:** remain eligible for concessional assistance from ADB
- The CPA provides the only exhaustive evaluation of policy, institutions, and broader governance in some countries
 - ✓ **Cook Islands and Niue:** ADB developing member countries covered by the CPA, but are currently not members of the World Bank



In-Country Presence: Particularly in the Pacific



- ADB has resident missions, regional offices, and country offices in all its developing member countries
- This includes in-country presence in all 14 Pacific small island developing states (SIDS)
 - ✓ Even in the smallest countries, at least 1–2 full time national staff on the ground for regular coordination with government
- Deep knowledge of country context, including political economy issues, vital for CPA exercise



Data Issues and Challenges: *Some points to consider*

The CPA: A Delicate Balancing Act (1)

15. Quality of Public Administration

This criterion covers the core administration defined as the civilian central government (and sub-national governments, to the extent that their size or policy responsibilities are significant) excluding health and education personnel, and police. The criterion assesses the functioning of the core administration in three areas: (a) managing its own operations; (b) ensuring quality in policy implementation and regulatory management; and (c) coordinating the larger public sector Human Resources Management regime outside the core administration (de-concentrated and arms-length bodies and subsidiary governments).

- 4 a. The core administration demonstrates moderate internal management capacity: major personnel actions, such as recruitment and selection, promotions, and dismissals generally reflect merit and performance; terms of employment and pay are sufficiently attractive to ensure that the public administration can compete reasonably effectively for any scarce skill sets it requires; the public sector pay regime is occasionally unable to motivate effort within the public service.
- b. The core administration demonstrates moderate capacity to ensure quality in policy and regulatory management: Cabinet decisions, presidential or ministerial policy announcements are rarely dropped or otherwise not implemented; the institutional responsibilities for data collection, analysis, and reporting in the sectors are occasionally weak or unclear; and the bodies with responsibility for sector regulation (infrastructure, transport, etc.) are occasionally not regarded as independent in practice and most have adequate regulatory quality management arrangements in place.
- c. The core administration demonstrates moderate capacity to coordinate the broader public sector HRM regime: (i) merit is the predominant factor in obtaining appointments or promotion in most entities; and (ii) the aggregate public sector wage bill is not at risk of unsustainability.

- **Breadth of Indicators vs. Depth of Analysis:**
 - ✓ For Country Teams: analysis required across 16 indicators (including sub-indicators, the total number of items for assessment reaches 42)
 - ✓ For Technical Group: analytical consistency checks for 27 countries
 - ✓ For indicators considered by WGI—i.e., CPA criteria 4, 6, 12, 13, 14, 15, 16—there are up to 19 sub-indicators

The CPA: A Delicate Balancing Act (2)

- **Quantitative vs. Qualitative Assessments**
 - ✓ Quantitative indicators provide clearer basis for rating, e.g., border taxes = 15–20% (substantial) vs. 10–15% (moderate) vs. 5–10% (low) – but open to data availability issues
 - ✓ Qualitative judgement: e.g., in deciding between “frequent” vs. “limited” vs. “few” instances of corruption in border agencies
 - ✓ Implicit weights between quantitative vs. qualitative factors?

4. Trade

Overall analysis of trade regime and trade facilitation

- WTO Trade Policy Review (where current)
http://www.wto.org/english/tratop_e/tpr_e/tpr_e.htm
- Diagnostic Trade and Integration Studies (where current);
<https://enhancedif.org/en/dtis>

Tariffs and other trade indicators

- [WTO Tariff data homepage](http://www.wto.org/english/tratop_e/tariffs_e/tariff_data_e.htm); and [WTO World Tariff Profiles Reports](http://www.wto.org/english/tratop_e/tariffs_e/tariff_data_e.htm);
http://www.wto.org/english/tratop_e/tariffs_e/tariff_data_e.htm
- [World Trade Indicators \(World Bank\)](http://www.worldbank.org/wits/);
- Tariff schedules in WITS; <http://wits.worldbank.org/wits/>;
- Open Trade and Competitiveness Data;
<https://tcdata360.worldbank.org/>

Non Tariff Measures (NTMs)

- <https://wits.worldbank.org/tariff/non-tariff-measures/metadata/en/country/>

Other sources of information

- Reviews and diagnostic reports such as Diagnostic Trade Integration Studies (DTIS), Administrative Barriers studies, IMF Fiscal Affairs reports, Project ISRs (in countries where the Bank is active in this sector);
- Logistics Performance Indicators (International and Domestic);
<http://lpi.worldbank.org>
- Investment Climate Assessments/BEEPs data;
- Country statistics on Trading Across Borders.

Minding Potential Circularities between the CPA & WGI (1)

- CPA indicator 12: Property Rights and Rules-Based Governance feeds into the Rule of Law dimension of WGI
- At the same time, the Rule of Law dimension of WGI is used as one of the key quantitative variables for determining ratings for CPA indicator 12

12. Property Rights and Rule-based Governance

This criterion assesses the extent to which economic activity is facilitated by an effective legal system and rule-based governance structure in which property and contract rights are reliably respected and enforced. Each of three dimensions should be rated separately: (a) legal framework for secure property and contract rights, including predictability and impartiality of laws and regulations; (b) quality of the legal and judicial system, as measured by independence, accessibility, legitimacy, efficiency, transparency, and integrity of the courts and other relevant dispute resolution mechanisms; and (c) crime and violence as an impediment to economic activity and citizen security. For the overall rating, these three dimensions should receive equal weighting. To assist country teams to prepare their write-ups, guidance notes are available at this [link](#).

Guideposts

- World Economic Forum, Global Competitiveness Index, “Executive Opinion Survey” questions on crime, police, efficiency of legal framework, property rights, and irregular payments in obtaining judicial decisions <http://www.weforum.org/>
- [Worldwide Governance Indicators \(WGI\)](#) “Rule of Law” index
- Index of Economic Freedom “Property Rights” indicator [here](#).
- World Bank Enterprise Surveys – Courts as a major obstacle to business operations (listed under “corruption” topic): <http://www.enterprisesurveys.org/Custom-Query>
- Country statistics on “Enforcing Contracts”

Minding Potential Circularities between the CPA & WGI (2)

16. Transparency, Accountability, and Corruption in the Public Sector

This criterion assesses the extent to which the executive, legislators, and other high-level officials can be held accountable for their use of funds, administrative decisions, and results obtained. Accountability is generally enhanced by transparency in decision-making, access to relevant and timely information, public and media scrutiny, and by institutional checks (e.g., inspector general, ombudsman, or independent audit) on the authority of the chief executive. The criterion covers four dimensions: (a) the accountability of the executive and other top officials to effective oversight institutions; (b) access of civil society to timely and reliable information on public affairs and public policies, including fiscal information (on public expenditures, revenues, and large contract awards); (c) state capture by narrow vested interests; and (d) integrity in the management of public resources, including aid and natural resource revenues. Each of four dimensions should be rated separately and national and sub-national government's issues appropriately discussed. For the overall rating, these four dimensions should receive equal weighting. To assist country teams to prepare their write-ups, guidance notes are also available.

Guideposts

- World Economic Forum, Global Competitiveness Index, "Executive Opinion Survey" questions on irregular payments in public contracting, diversion of public funds, transparency in policymaking, favoritism, and public trust in politicians, at <http://www.weforum.org/>
- World Bank Enterprise Survey, relevant questions from "Corruption" topic at: <http://www.enterprisesurveys.org/data>
- Africa Integrity Indicators (includes North Africa), questions 5-16, 24-37, at <https://www.africaintegrityindicators.org/data>
- Worldwide Governance Indicators (WGI), "Control of Corruption" and "Voice and Accountability" indexes, at: <http://www.govindicators.org>

- Similarly, CPA indicator 16: Transparency, Accountability, and Corruption in the Public Sector is considered the Control of Corruption dimension of WGI
- While the Control of Corruption dimension of WGI is used a quantitative input for determining ratings for CPA indicator 12
- *How do we ensure that our respective assessments serve as consistency checks, rather than possibly perpetuating feedback loops on governance ratings?*

Rommel F. Rabanal
rrabanal@adb.org

Dashboard:

<https://data.adb.org/dashboard/country-performance-assessment-cpa>

CPA Reports:

<https://www.adb.org/documents/series/annual-report-country-performance-assessment-exercise>

Thank You

