



STATEMENT OF HEADS OF MULTILATERAL DEVELOPMENT BANKS

MONTERREY, March 19, 2002—*The following statement was issued today by the heads of the five multilateral development banks, including African Development Bank President Omar Kabbaj, Asian Development Bank President Tadao Chino, European Bank for Reconstruction and Development President Jean Lemierre, Inter-American Development Bank President Enrique V. Iglesias, and World Bank Group President James D. Wolfensohn.*

BETTER MEASURING, MONITORING, AND MANAGING FOR DEVELOPMENT RESULTS

The Monterrey Conference on Financing for Development represents an unprecedented coming together of people and ideas on development. We welcome the opportunity to join our development partners during this important meeting to discuss the priorities for mobilizing domestic and international financial resources; increasing international financial and technical cooperation; boosting trade as the engine for development; addressing systemic issues and external debt; and staying engaged. Each of the undersigned is fully committed to the goals of the Conference. In addition, we wanted to issue this joint statement on one particularly important issue—measuring, monitoring, and managing for development results.

Country Development Context. A lesson we all have learned from our work is that development cannot be achieved in isolation from the surrounding country conditions. Policies and institutions matter, and for the Multilateral Development Banks it is our catalytic role in this regard that matters most. This is fully consistent with the use of investment projects as an instrument of development assistance—especially when such projects are at the cutting edge of development and are an important vehicle of knowledge transfer, capacity building, and financial support; but it does increase the importance of our ensuring that they are part of a broader strategy that takes account of the country's overall priorities and constraints. It also puts a premium on collaboration and cooperation among development partners, as set out in the Monterrey Consensus.

Agency Country Strategies. We have all made progress in supporting this approach in our country strategies, which aim to position our individual assistance programs within the overall context of the country's priorities and constraints and the support provided by other partners. This is as true for the African Development Bank's Country Strategy Papers and the Asian Development Bank's Country Strategy and Programs as it is for the European Bank for

Reconstruction and Development's Country Strategies, the Inter-American Development Bank's Country Papers, and the World Bank Group's Country Assistance Strategies. Increasingly, we are following the CDF principles of country ownership, partnership, and results, building on countries' Poverty Reduction Strategy Papers (PRSPs) where they are available.

Scaling up our Work on Measuring, Monitoring, and Managing for Results. Going forward, this country context also needs to be center stage in the way we assess and evaluate our development effectiveness. This is essential for aligning institutional accountabilities and strategic priorities with the results that matter most in development. We have all invested heavily in operations evaluation systems as pillars of institutional learning and accountability, and must continue to do so, bringing the focus on outcomes more centrally to this work. But also we must upgrade our assessments of our performance in country programs, improving their timeliness and focus on country outcomes, including the Millennium Development Goals (MDGs). We recognize the conceptual and practical complexities involved in such assessments in a world where ownership and partnership are key. But we feel that we must take on this challenge, building on the lessons of experience and our individual and collective efforts to assess our contributions to development and refining/revising approaches as needed—both within our agencies and also working with and learning from others.

Support for Country Capacity-Building for Measuring, Monitoring, and Managing for Results. Clearly the quality of country systems for measuring and monitoring results is important for the challenge before us. This puts a premium on our capacity building support for public sector management, statistical development, and monitoring and evaluation systems, which are important in their own right for underpinning countries' accountabilities to their people and results agreements and compacts with donors. Our agencies have programs of support for evaluation and statistical capacity building, aiming to help countries improve their measurement, monitoring and management for results—whether at the project level or at the agency or ministry level. Going forward, this is a priority area for harmonization—both within and across our agencies—including with other development partners in the context of the MDGs and the PRSP process.

Next Steps. All this points to the need for a major effort to review approaches, learn and share lessons, and adapt our policies and practices as needed. We are committed to doing so, and are taking action to this end. As an important first step, our staffs are meeting to share experience and are preparing an international roundtable to take place in early June to take stock of lessons, share experience with other development partners, and agree on next steps and future directions.