



Validation Report

Reference Number: PCV: COO 2010-83
Project Number: 39118
Loan Number: 2174-COO
December 2010

Cook Islands: Cyclone Emergency Assistance Project

Independent Evaluation Department

Asian Development Bank

ABBREVIATIONS

ADB	–	Asian Development Bank
CRRP	–	Cyclone Recovery Reconstruction Plan
EMCI	–	Emergency Management Cook Islands
GDP	–	gross domestic product
MFEM	–	Ministry of Finance and Economic Management
NZAID	–	New Zealand Agency for International Development
PCR	–	project completion report
PMU	–	project management unit
PSC	–	project steering committee
RRP	–	report and recommendation of the President
SPSO	–	South Pacific Subregional Office
TA	–	technical assistance

NOTE

In this report, “\$” refers to US dollars, while “NZ\$” refers to New Zealand dollars.

Key Words

adb, asian development bank, cook islands, emergency assistance project, disaster, cyclone

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PROJECT COMPLETION REPORT VALIDATION

A. Basic Project Data		PCR Validation Date:	December 2010	
Project Number:	39118		Approved	Actual
Loan/TA Number:	2174-COO/TA 4605-COO			
Project Name:	Cyclone Emergency Assistance Project	Total Project Costs (\$ million):	7.87	2.50
Country:	Cook Islands	Loan/Grant (\$ million): (SDR equivalent)	2.83 (1.90)	2.50 (1.65)
Sector:	Multisector	Total Cofinancing (\$ million):	2.52	-
ADB Financing (\$ million):	ADF: 2.83 (SF) OCR:	Borrower (\$ million):	1.16	NA ^a -
Cofinanciers:	None	Beneficiaries (\$ million):		
Approval Date:	30 Jun 2005	Others (\$ million):	1.36	-
Signing Date:	30 Jun 2005	Effectiveness Date:	28 Sep 2005	14 Jul 2005
Project Officers:	Name: T. Gloerfelt-Tarp R. Phelps	Closing Date:	31 Oct 2007	13 May 2010
Validator:	C. Willoughby, Consultant	Location:	From	To
Quality Control Reviewers:	T. Ueda, Senior Evaluation Specialist, IED2 J. Dimayuga, Evaluation Officer, IED2	South Pacific Subregional Office (SPSO) SPSO	2005	2006
		Director:	2007	2009
			H. Hettige, IED2	

ADB = Asian Development Bank, ADF = Asian Development Fund, NA = not applicable, OCR = ordinary capital resources, PCR = project completion report, SDR = special drawing right, TA = technical assistance.

^a According to the PCR, page iii, Table in section C-3, the PCR was not able to determine the costs financed by the borrower and those that were externally financed.

B. Project Description (summarized from the report and recommendation of the President [RRP]¹ and the project completion report [PCR]²)

- (i) **Rationale.** The project was intended to help the government deal with the consequences of five destructive cyclones that occurred in February and early March 2005, so that the improvement in fiscal discipline and the country's credit rating would not be affected. The government took action to implement an emergency assistance program to alleviate the human suffering associated with the cyclone damage.
- (ii) **Impact.** The intended impacts were (a) continuation of the strong growth rates of gross domestic product (GDP) and of tourism earnings (which accounted for nearly 50% of GDP) that had been achieved since overcoming the 1996 fiscal crisis, (b) maintenance of government debt at less than 30% of GDP, and (c) strengthening of infrastructure and basic service delivery facilities to lessen the country's vulnerability to future cyclones.
- (iii) **Objectives or expected outcomes.** The objective of the project was to restore pre-cyclone conditions, especially infrastructure and public services, in the affected areas (principally the main island, Rarotonga, with a permanent population of more than 10,000, and other islands in the southern group). Certain economic indicators established to measure whether growth had been restored to pre-cyclone levels.
- (iv) **Components and/or outputs.** Infrastructure was repaired and rehabilitated to appropriate cyclone-resistant standards, in a wide range of subprojects, especially in roads, ports, power distribution, and water supply. The work was to be completed by April 2007.

¹ ADB. 2005. *Report and Recommendation of the President to the Board of Directors: Proposed Loan to the Cook Islands for the Cyclone Emergency Assistance Project*. Manila.

² ADB. 2010. *Completion Report: Cyclone Emergency Assistance Project in the Cook Islands*. Manila.

C. Evaluation of Design and Implementation (PCR assessment and validation)

- (i) **Relevance of design and formulation.** Effective early warning systems succeeded in preventing human casualties from the five cyclones. Government and regional relief services mobilized timely support for the areas affected by the first storm on 4 February 2005 and by the subsequent cyclones. To avoid broader disruption to the country's economic progress, the government contacted the Asian Development Bank (ADB) very quickly. ADB's damage assessment mission was delayed by the continuing storms, but was finally fielded within a week of the last cyclone, which hit the islands on 5 March 2005. It appraised the damage reports, which had been prepared by the government agencies, and reached agreement with the government on an overall estimate of \$7.87 million equivalent as the cost of recovery and reconstruction. The tentative division of the costs among the various sources of financing was 36% for ADB, 32% for the Cook Islands' households, 15% for the New Zealand and Australian governments combined, and 17% for the Government of Cook Islands.

However, in the Loan Agreement for the civil works, it was stipulated that, excluding local tax, the ADB loan would cover 100% of the project costs. This meant that for the ADB-financed components, other than tax, there would have been no government or beneficiary payment.

The PCR highlights three design features that were suitable for this cyclone-recovery situation: (a) ADB's Disaster and Emergency Assistance Policy³ allowed the use of up to 30% of the loan proceeds for retroactive financing of recovery-related activities back to the first storm; (b) the project was to be implemented under a sector approach with subprojects, when ready, being put forward by sponsoring public entities for screening against cyclone-recovery eligibility criteria; this approach encouraged participation and also facilitated maximum use of any grant resources that became available from different donors, so as to minimize additions to the country's indebtedness; and (c) it was agreed from the earliest stage of project development that ADB's loan would be accompanied by a grant to address two issues highlighted by the 2005 cyclone experience: (1) the need for more coordinated and accountable management among the Cook Islands' public bodies to provide protection against extreme climatic events, and (2) the need for a long-term infrastructure investment program that takes account of climate change probabilities as well as maintenance backlogs that had accumulated because of fiscal constraints.

- (ii) **Project outputs.** In the PCR, detailed information is provided only on ADB-financed components, not on the remainder of the original recovery and reconstruction program. The PCR covers output issues well, but does not convey a clear picture of the overall distribution of project outputs. The table below, which summarizes the geographical and sectoral distribution of the outputs shows that subprojects were undertaken in all the categories originally envisaged and in all of the southern Cook Islands affected by the cyclones. Expenditures were, however, heavily concentrated (94%) in Rarotonga and Aitutaki, the two most heavily populated islands that also handle most of the tourists. Expenditures were also concentrated among sectors, mostly in transport and power (84%). The largest subproject (nearly half of the loan disbursements) was reconstruction of the western marina serving small craft and boats at Avatiu port on Rarotonga Island. The decision to cover this port was made at a very late stage of the original implementation period. This was the main reason for the extension of the loan.

Other sizeable projects included repairs to high-voltage substations and streetlights in Rarotonga and to community water tanks in Atiu. Many of the smaller subprojects were initial post-cyclone works, benefiting from the ADB allowance for retroactive financing.

³ ADB. 2004. *Disaster and Emergency Assistance Policy*. Manila.

Geographical and Sectoral Distribution of Project Outputs (NZ\$)

Sector	Rarotonga	Aitutaki	Atiu	Mitiano	Mangaia	Mauke	Total
Roads and Bridges	195,419	-	-	-	-	-	195,419
Ports	2,311,000	27,900	-	-	-	-	2,338,900
Power Supply	270,100	9,000	5,500	12,900	-	-	297,500
Water Supply	-	20,600	127,400	-	17,400	-	165,400
Waste Management	25,700	-	-	-	-	-	25,700
Buildings/Materials	24,600	-	-	-	-	-	24,600
General Clean-Up	271,600	20,900	10,700	4,100	13,600	5,900	326,800
Total	3,098,419	78,400	143,600	17,000	31,000	5,900	3,374,319

Source: Asian Development Bank. 2010. *Completion Report: Cyclone Emergency Assistance Project in the Cook Islands*. Manila (Appendix 4), which was budget line basis. The Independent Evaluation Department regrouped by infrastructure subsectors.

(iii) **Project cost, disbursements, borrower contribution, and conformance to schedule** (as relevant to project performance). More than 87% of the original loan proceeds was disbursed, \$2.498 million out of \$2.863 million (due to special drawing right appreciation against dollar, the final amount in dollar was \$2.863 million). As noted in the PCR, the project management unit (PMU) relied heavily on the various implementing agencies to certify that work requested by them had been satisfactorily delivered; only for the Avatiu marina rehabilitation were payments formally certified by a supervising engineer. As a result of the slow pace of project expenditures, especially in the second year, cumulative disbursements amounted to less than half the loan amount by 30 June 2007 (original completion date). The provisions of ADB's new Disaster and Emergency Assistance Policy had been drawn up to apply specifically to expenditures during the transitional period (expected to be 24 months at maximum) between the occurrence of a disaster and the start of reconstruction. Most of the delays were due to (a) delays between the government and its various foreign partners in deciding what should be done with available grant funds, and (b) slow processing by the local governments and public sector agencies because of the shortage of experienced professional staff. An important delaying factor for ADB's project was the decision taken by the New Zealand Agency for International Development (NZAID), only in December 2005, to provide a grant of NZ\$10 million (equivalent to about \$6.8 million at the average exchange rate over the project period) for outer island disaster recovery, together with an agreement that a Cyclone Recovery Reconstruction Plan (CRRP) should be prepared before deciding on the allocation of all relevant development partners' funds. This was the main factor causing the long delay in spending the second half of ADB's loan as the Cook Island Government sought to prioritize donors' various contribution depending on level of financing charges. Although in the original design stage the project included contributions from affected households and the government when implementation started based on the Loan Agreement, ADB loan proceeds covered 100% of the cost of civil works (excluding local tax). As mentioned in PCR, para. 10, "while households did finance repairs to individual private properties, monitoring such properties" became impracticable and no indicators or data sources were provided in the design and monitoring framework. In addition, the PMU did not keep any record of the financing plan by other development partners to look at the whole spectrum of the restoration initiatives. Thus, records of components or infrastructure that were funded by other development partners or the government were not kept by the ADB team. The works were contracted in November 2007 and completed in October 2008, nearly 3.5 years after loan signature.

(iv) **Implementation arrangements, conditions and covenants, related technical assistance, and procurement and consultant performance.** ADB's early missions focused on suitable implementation arrangements, given the difficulties of communication in the country and the expected limited presence of ADB staff. The memorandum of understanding and the Loan Agreement set out quite specific arrangements. The executing agency would be the Ministry of Finance and Economic Management (MFEM). It would liaise with the government's implementing agencies for each component and chair a project steering committee (PSC), including the chief executive officers of all the implementing agencies and representatives of the New Zealand High Commission, being the leading source of bilateral aid to the country, and active in many fields. The PSC would be responsible for project oversight, the main

decisions, and wider dissemination of information. It would meet at least quarterly. A PMU, including a full-time project manager and an accountant, reporting to the financial secretary of the MFEM would be responsible for day-to-day coordination of the project, including receipt, review, and submission to the PSC and ADB of the subproject application forms. As the PCR emphasized, the higher-level management arrangements envisaged were barely activated. New Zealand representatives were not invited to join the PSC. It met only twice in the critical 20-month period up to March 2007. The midterm project review scheduled under the loan for mid-2006 was not undertaken. Subproject proposals were not normally submitted in writing to ADB, although this was a requirement. However, the PMU did keep ADB well informed, the subprojects were largely consistent with agreed eligibility criteria, and ADB procurement guidelines were followed.

The TA project that was approved by ADB at the same time as the loan was effectively executed and has led to significant developments. Work on strengthening disaster and recovery management (component 1 of the TA project) was carried out by the Secretariat of the Pacific Applied Geoscience Commission from August 2005 to April 2006. The resultant Disaster Risk Management Bill was enacted in November 2007 and an agency called Emergency Management Cook Islands (EMCI) was established, consolidating emergency responses in a single agency. A disaster risk management plan was further developed by EMCI. But the PCR gives an indication that there may have been some loss of momentum more recently in this important area. Preparation of a Preventive Infrastructure Master Plan to identify and prioritize infrastructure needs for the next 20 years (component 2 of the TA project) was carried out by a consortium of three firms and completed in March 2007. The work covered the infrastructure sectors comprehensively and made recommendations for governance and policy frameworks for planning, delivering, maintaining, and climate-proofing infrastructure. The 20-Year Master Plan has become a guiding document for planning for both government and its development partners. In its 2008 TA completion report, ADB rated the TA project *successful*, emphasizing at the same time the importance of further follow-up by both the government and the development partners.

- (v) **Performance of the borrower and executing agency.** The PCR rates the performance of the executing agency *partly satisfactory* because of the major delay in implementation of the project. This validation concurs with this rating. The PCR also emphasized a satisfactory rating for project financial management and record keeping, which were performed by the PMU and closely monitored by the MFEM. These performance assessments are well founded and sound. Other aspects of the MFEM's performance fell short of satisfactory, especially the many departures from the management arrangements and structures that had been agreed with ADB as noted above (PSC meetings at least quarterly, participation of NZAID representatives in the PSC, submission of proposed subprojects to ADB in writing, and the midterm project review). These shortcomings had a negative effect on the project as did the delay in the use of ADB funds.
- (vi) **Performance of the Asian Development Bank.** Given the slow decision made by other donors, ADB responded in a fairly timely and flexible way to the Cook Islands' needs for coping with the consequences of the 2005 cyclones. The damage assessment mission was fielded rapidly and identified appropriate ways to apply ADB's new disaster-response policies (footnote 3). The framework was laid for a joint response that was well-coordinated between the government and development partners. ADB's loan was prepared and approved within 4 months of the disaster, only 1 month more than the target set by the new policy, and expenditures to be covered by the loan had already started, as a result of the retroactive financing. In the end, over \$940,000 (33%) was disbursed as retroactive financing, surpassing the original ceiling of 30%. ADB undertook brief supervision missions, on average twice a year for less than 1 week each time. ADB subordinated commitment and disbursement of its own loan so as to use, wherever possible, the grant funds that became available from different sources, some with a significant delay. In contrast to the initial concerns of the borrower, ADB also demonstrated patience and flexibility with its decision in September 2007 to allow extensions (there were two extensions) to this emergency loan, thereby enabling further recovery initiatives.

Although ADB was responsive to the emergency situation, the project could probably have been implemented better. The approach adopted on any aspect of project management appears to have been ADB's standard prescription, recognizing that the Cook Islands' administrative resources would not permit full implementation but leaving local decision-makers to determine the aspects to focus on while others were dropped. Progress was made on ADB-recommended initiatives, such as getting a perspective on overall needs, stimulating community proposals of recovery activities, using the internet for project publicity, increasing the use of competitive bidding, and giving more attention to the recovery of costs from the users of services.

The alternative that could have been applied, given the human and institutional constraints faced by the Cook Islands, would have been to assess upfront the islands' actual capacities and capabilities and then try to design a rehabilitation project that was in line with what the Cook Islands could actually implement. This would have been particularly appropriate since there were development partners in the region (e.g., New Zealand) that could extend grants, but actual timing on the contribution was not very clear. The fact that the PSC meetings were never attended by the New Zealand Government also indicates the lack of close coordination with development partners during implementation. This validation examined the project file documents and back-to-office reports of ADB missions. It was beyond their control, as the decision process within the New Zealand Government was completely external to the missions at the time.

The PCR rating of ADB performance was *satisfactory*, with which the PCR validation concurs.

D. Evaluation of Performance (PCR assessment and validation)

- (i) **Relevance.** The PCR assesses the project, both as planned and as implemented, *relevant*. Early clean-up and repair subprojects were responsive to urgent needs and community priorities, and the Avatiu Harbour and Marina rehabilitation strengthened a promising dimension of economic growth. The PCR underlines the relevance of the TA initiatives incorporated in the project and could also have stressed the particular appropriateness of arrangements made to prioritize the effective use of grants to support recovery before deciding where to apply the loan proceeds. This validation concurs with the PCR that the project objectives and overall design were *relevant* to the Cook Islands' specific needs.
- (ii) **Effectiveness in achieving outcome.** The PCR rates the ADB project *effective* in achieving clean-up, infrastructure rehabilitation, basic service restoration, and procurement of essential materials, thereby restoring pre-cyclone conditions. Most of the basic services from the various infrastructure sectors were restored within a few months of the cyclones. Major repairs often required longer than expected but were generally completed by the end of 2006. For port facilities, more elaborate rehabilitation than originally envisaged gradually emerged as a sounder option and has drawn substantial additional support, both from ADB for the principal national port on Rarotonga Island and from NZAID for the outer islands. This validation concurs with the PCR that the project, and the program within which it was framed, was *effective* in delivering the broader outcomes envisaged.
- (iii) **Efficiency in achieving outcome and outputs.** The PCR rates the project *efficient* on the basis of experience with the investments undertaken and the relatively low management overhead (8% of total loan-financed costs) paid out of the loan. Project economic analysis was not applied at appraisal since specific subprojects had not yet been defined, and this is usually the practice with ADB emergency loans. The PCR suggests several specific ways in which efficiency could have been further increased: (a) the PMU could have hired shorter-term technical specialists, foreigners if necessary, to advise on the packaging and design of subprojects, especially in the early months; (b) the rates for the hiring of equipment to deal with storm damage could have been reduced by introducing more competition among suppliers; and (c) the Cook Islands' National Environment Service could have treated the impact assessment less bureaucratically in the process of approving the funding for the last 70 meters of the Avatiu Harbour breakwater (omitted from the November 2007 contract for lack of immediate budget); this would have made efficient use of most of the \$350,000 of ADB loan that had to be eventually cancelled. Although other donors' grant processing contributed to the implementation delay, this was exacerbated by the government's slow preparation of the CRRP and ADB's rigorous assessment of donor coordination at appraisal. This is echoed by the second review mission in November 2008. Thus, this validation rates the project *less efficient*. The unusually long delay in the closing date of this loan indicates a loss of some early years' benefits.

- (iv) **Preliminary assessment of sustainability.** The PCR assesses the project *likely* sustainable because repairs and replacement structures had to be designed in strict conformity with building codes and standards. In addition, the importance of essential maintenance to ensure continuing resistance to damage has been strongly emphasized by the project and its related TA initiatives. The design adopted for the replacement breakwater at Avatiu is expected to be significantly more resistant to damage than its predecessor and to attenuate the height of waves entering the marina basin under moderate storm conditions. Recognition has increased of the need for cost recovery from the users of infrastructure services to help ensure adequate maintenance. This validation concurs with the PCR rating of *likely* sustainable.
- (v) **Impact (both intended and unintended).** The number of tourists has continued to grow and there is no evidence that tourism has suffered significantly from the 2005 cyclones or from fears about climatic phenomena. On the other hand, post-2005 economic growth (0.6% per annum) has not returned to the pre-cyclone level (4% per annum). The disappointing economic growth partly reflects the recent global financial and economic crisis, but seems to be due more to country- and region-specific factors, including a shift in the composition of tourists toward lower-spending categories (from Australia and New Zealand rather than more northern countries), poor agricultural performance, difficulties with the country's traditional natural-resource exports, and the continuing depopulation of some of the outer islands as people opt for more modern conditions by working and living in New Zealand, Australia, or elsewhere. The PCR does not discuss the original expectation that the project would help the country maintain strong economic growth, but it does correctly point out that the poor may benefit significantly, and more than the better-off, from some of the investments, including (a) restored public services (such as water and power); (b) transport improvements, which affect the costs of so many items in such a heavily import-dependent economy; and (c) increases in employment opportunities. Minimization of disruptions from climatic events and gradual improvement of public infrastructure and services in inhabited areas are clearly necessary, but not sufficient, conditions for achievement of economic growth and poverty reduction. In addition, the project's TA initiatives have played a significant role in stirring up public awareness and leaders' thinking about climate change, disaster protection and management, and the importance of gradually moving ahead with reforms. Thus, the project's overall impact is most appropriately characterized as *moderate*.

E. Overall Assessment, Lessons, and Recommendations (validation of PCR assessment)

- (i) **Overall assessment.** The PCR's overall project rating is *successful*, with which this validation concurs. The project responded effectively to the government's urgent request for assistance in dealing with the climatic disaster of February 2005 and contributed materially to the quick restoration of public services without upsetting maintenance of fiscal discipline. Eventually, it facilitated the effective use of grants from different sources and formulated broader reforms in the planning of infrastructure development, arrangements for the management of disaster response, and the modernization of infrastructure for interisland sea transport, all of which will help to improve the possibility of renewed economic growth and poverty reduction in coming years.
- (ii) **Lessons.** The PCR draws three lessons, all of them already referred to in this document:
- (a) The project would have benefited considerably if a foreign engineer, with specifically relevant experience of mobilizing and coordinating a multidonor supported cyclone recovery program, had joined the PMU for a few weeks or months at the start of the project; and
 - (b) The government and relevant key development partners and donors (i.e., in the case of cyclone recovery and infrastructure repair and reinforcement, the MFEM, ADB, and NZAID) need to make greater efforts to ensure more continuous and open coordination; and ADB made the appropriate provisions in the loan documents and negotiations, but the shortage of experienced civil servants in the Cook Islands still prevented effective action; ADB needs to be more direct and persuasive in securing the active commitment of the government.
- (iii) **Recommendations.** The PCR included sound recommendations (a) for regular ADB performance reviews of the organizations responsible for disaster and risk management that were established under the Disaster Management Act of 2007; and (b) on the steps required to ensure that the unresolved issues at Avatiu Marina are taken care of under the Avatiu Port Development project now under way.

F. Monitoring and Evaluation Design, Implementation, and Utilization (PCR assessment and validation)

Given the emergency nature of the project, the uncertainty regarding the subprojects, and the severe limitations of the authorities' capacities, there does not seem to have been any serious intention on the part of ADB or the government to develop monitoring and evaluation activities within the short implementation period of the project. The Loan Agreement (para. 5) and the RRP establish a requirement to include in subproject applications "performance monitoring indicators and targets," though it is unclear what sorts of indicators were intended and agreed to during the processing. A more thorough assessment of and greater clarity in the requirements for monitoring and evaluation should have been stipulated at the design stage.

G. Other (e.g. safeguards, including governance and anticorruption; fiduciary aspects; government assessment of the project, as applicable) (PCR assessment and validation)

The PCR has no separate discussion of these aspects, mainly because they gave rise to no particular problem, nor were they expected to do so, given both the nature of the project and the way it was structured. Implementation mechanisms were considered transparent insofar as multiple public agencies were involved in decision-making, and major decisions were published on the project website, accessible via internet. The project did not involve any land acquisition or resettlement activities since the purpose was only restoration of existing facilities. The project was classified in category B under ADB *Environmental Policy* (2002). The initial environmental examination was conducted to determine the degree of likely impacts and describe possible mitigation measures. It concluded that the project was unlikely to generate any significant environmental impact during construction or operation. All rehabilitation activities would be required to complete and satisfy an environmental assessment screening checklist during formulation. Recommended mitigation measures would be incorporated in the design of subprojects and contractors' assignments. The conditions relating to the environment were rigorously implemented for Avatiu Harbour and Marina, with the National Environment Service monitoring strict compliance. Positive environmental impacts resulted from the restoration of water supplies and sanitation facilities, clearing of debris in general, and adoption of cyclone-resistant designs.

H. Ratings	PCR	IED Review	Reason for Disagreement/Comments
Relevance:	Relevant	Relevant	
Effectiveness in Achieving Outcome:	Effective	Effective	
Efficiency in Achieving Outcome and Outputs:	Efficient	Less Efficient	Mainly because of a delay of more than 2 years. The economic internal rate of return was not calculated as with other emergency loans.
Preliminary Assessment of Sustainability:	Likely Sustainable	Likely Sustainable	
Borrower and Executing Agency:	Partly Satisfactory	Partly Satisfactory	
Performance of ADB:	Satisfactory	Satisfactory	
Impact:	Positive	Moderate	Economic growth after the loan was far lower than what had been originally targeted.
Overall Assessment:	Successful	Successful	
Quality of PCR:		Satisfactory	

I. Comments on PCR Quality

The PCR uses the available information to address the standard questions as comprehensively and as fairly as possible. The lessons drawn are sensible and should prove feasible in action. Thus, this validation rates the PCR quality *satisfactory*.

The overriding shortcoming of the PCR is the absence of any indication of the extent to which it obtained the views of others on the project, aside from ADB staff members. This is exemplified by the lack of data on the government's and the external partner's contributions to the total project cost. This validation views that despite that it was envisaged in the RRP during loan negotiations, the ADB loan proceeds coverage was set at 100%, and there was no intention of the government or the beneficiaries shouldering any of the costs of the civil works.

J. Recommendation for Independent Evaluation Department Follow-Up

The PCR does not recommend preparation of a project performance evaluation report for the Cyclone Emergency Assistance Project, given the small scale of most of the works carried out and the developments that have taken place in the last 5 years on the broader issues that were raised. This validation concurs with this view, and no further action is required.

K. Data Sources for Validation

Two CD-ROM archives provided by ADB's South Pacific Subregional Office in Suva, Fiji, one entitled processing files and the other administrative files. Websites of ADB, NZAID, MFEM, and the Cook Islands Statistics Bureau.

REGIONAL DEPARTMENT'S RESPONSE TO THE PROJECT COMPLETION REPORT VALIDATION REPORT

On 6 December 2010, Director, IED2, Independent Evaluation Department (IED), received the following comments from the South Pacific Subregional Office (SPSO).

We note that IED generally concurs with the evaluation contained in the PCR. SPSO accepts IED's recommendation that the project should be rated *partly efficient* with respect to achieving outcomes and outputs, with low management costs being perhaps too narrow a basis for a rating of *efficient*.