

## Country Policy and Institutional Assessment (CPIA) - African Development Bank



### Objective and features

#### 1. Objective

The CPIA aims to assess the quality of policies and the performance of institutional frameworks in Africa. It measures the capacity of a country to support sustainable growth and poverty reduction, and the effective use of development assistance.

#### 2. Institutional coverage

National governments (in Africa region).

#### 3. Technical coverage

The tool assesses a country against a questionnaire covering 18 criteria, grouped across five areas: (1) economic management, (2) structural policies, (3) equity and social inclusion, (4) governance and public sector management, and (5) infrastructure development and regional integration.

The technical coverage is focused on the governance cluster, in particular, on Quality of Budgetary and Financial Management.

#### 4. Application method

Custodian.

### Methodology



#### 5. Methodology

The tool assesses a country against a questionnaire covering 18 criteria, grouped across five areas: A – coherence of its economic management, B – coherence of its structural policies, C – degree to which its policies and institutions promote equity and social inclusion, D – quality of its governance and public sector management, and E – degree to which its regulatory framework is enabling infrastructure development and regional integration.

#### 6. Benchmarking system

Benchmarking with scoring. The questionnaire results in an overall score, a score across each of the five areas and individual scores for the 18 criteria. The scores across each area are aggregated, and the overall score represents their unweighted average. All scores range between 1 (very weak) and 6 (very strong).

#### 7. Linkage to PEFA framework

The AfDB CPIA covers aspects related to PEFA performance indicators: aggregate expenditure outturn (PI-1), expenditure composition outturn (PI-2), revenue outturn (PI-3), budget classification (PI-4), budget documentation (PI-5), debt management (PI-13), external audit (PI-30), and legislative scrutiny of audit reports (PI-31).

#### 8. Complementarity with PEFA framework

The AfDB CPIA tool's area of focus covers dimensions such as the quality of public administration, transparency, accountability and corruption in the public sector, and financial sector development.

### Development and use



#### 9. Development and coordination

AfDB developed its CPIA tool in consultation with WB to ensure alignment with the WB's CPIA tool (A11). The two tools are strongly aligned but not identical. One of the current differences is AfDB's introduction of a fifth cluster covering the government's efforts and enhanced policies in infrastructure and regional integration. The fifth cluster was added in 2013 to strengthen AfDB's policy dialogue in the field.

Following the integration of the AfDB CPIA with the African Economic Outlook (AEO) in 2011, the structure of the AfDB CPIA questionnaire was streamlined to allow for better integration and complementarity with the [AEO report](#). The AEO reviews the economic and political situations of African countries and forecasts short- and long-term economic, social, and political developments.

#### 10. Assessment management

A draft qualitative and quantitative evaluation is prepared by AfDB's country economists who then incorporate comments from independent peer reviews and consultations with governmental departments and local authorities. This process, coordinated by the Resource Department, is fully conducted internally by AfDB's sector and regional units.

Quality assurance is provided by independent peer reviewers, in consultation with the government and authorities.

#### 11. Uses by the government and members of the PFM community

Used internally by AfDB to form the basis of its performance-based allocation (PBA) system. It also allows AfDB to engage in policy dialogue at both regional and country level and guide its interventions, risk assessments, and applied research.

#### 12. Sequencing with other tools

There is no sequencing with other tools.

#### 13. PFM capacity building

PFM capacity-building initiatives are undertaken at country level based on the assessment findings, which in turn are reassessed during the next AfDB CPIA exercise.

#### 14. Tracking of changes and frequency of assessments

Driven by operational efficiency, the CPIA changed from an annual to a biennial exercise in 2016, given the lag between implementing institutional reforms and experiencing results. Recommended frequency is two years unless specific country circumstances necessitate more frequent assessments. Countries can use the scoring system to track changes.

#### 15. Resource requirements

The cost includes negotiated fees for the group of independent experts who perform peer reviews. Otherwise, the process is fully managed and undertaken by the AfDB staff. The CPIA takes around two and a half months to complete, starting around mid-September and concluding by the end of November of the same year.

### Transparency



#### 16. Access to methodology

AfDB's CPIA [website](#) offers a high-level overview of the questionnaire, scores, and process. Methodology is [available](#).

#### 17. Access to assessment results

AfDB CPIA scores and rankings of countries eligible for the African Development Fund (ADF) are publicly disclosed by the bank through the [CPIA \(AfDB\) Platform](#). Scores of non-ADF-eligible countries are not disclosed publicly.