

Chair's Summary of Meeting of the Board of Directors

28 May 2008

Policy Paper on Increasing the Impact of the Asian Development Bank's Technical Assistance Program

1. The Board approved the R-paper on *Increasing the Impact of the Asian Development Bank's Technical Assistance Program*. Directors expressed appreciation for the efforts to incorporate suggestions and recommendations following consideration of the working paper. One Director abstained.
2. The Directors welcomed the move towards increased ownership and delegation of implementation to executing agencies (EA). However, several Directors considered the target of 5-10% of technical assistance (TA) projects administered by EAs in 2010 to be conservative. Directors encouraged ADB to pursue delegation to EAs more aggressively.
3. Some Directors indicated that ADB should consider a fee-based approach for TA provided to DMCs with higher levels of income. Some Directors cautioned and were of the opinion that before moving towards a fee-based approach ADB must improve the quality of TA and consult its developing member countries (DMC).
4. Most Directors supported the proposed increases in delegation of approval authorities for Management.
5. Some Directors suggested that the BOD should be consulted on the strategic priorities for research and development TA (RDTA), and that the interaction between BOD and Management in the process of developing the work program and budget framework should be improved.
6. The Directors supported the proposal to shift resources from processing to implementation. However, several Directors expressed the view that the implementation of the measures proposed in the R-paper may not be resource neutral. In this context some Directors emphasized the importance of strengthening human resource (HR) management, staff capacity and the incentive system as critical factors for increasing the effectiveness of ADB's TA program, and suggested that these issues be addressed during the review of the HR strategy.
7. Two Directors requested the Management to reassess current restrictions which limit procurement to ADB member countries, with a view to fully untying procurement.