

Appendix 1: Examples of Capacity Assessment Reports

strategy paper (WISP), the national poverty reduction strategy, is a useful instrument for unifying government actions toward the common vision of reducing poverty and improving the living standards of the population. However, a look at the existing interim WISP (I-WISP) indicates that the roles of various stakeholders in WISP implementation need to be defined further to achieve clarity of goals and expected results. The strategy also needs to address the important issues of transparency and statistical capacity. The preparation of the Millennium Development Goals (MDG) Report is well coordinated with the WISP and provides a useful complement to WISP preparation and implementation.

Linking Plans and Actions. The process for ensuring strategic coherence from national goals down to the plans of sector agencies and local government institutions is not sufficiently defined in the I-WISP. There needs to be greater alignment between budget allocations and contributions to targeted outcomes of individual line ministries/agencies. Line ministries/agencies should also be allowed greater flexibility to make resource allocation decisions within a well-defined accountability framework.

Feedback of Results Information to Decision Making. Provisions have been made in the I-WISP for the participation of government agencies in the preparation of the full WISP. However, within government there is no formal mechanism to ensure that proposed policies are reviewed by all concerned ministries. The link between incentives and performance in government service is weak and exacerbated by the absence of a civil service law or body and by weak governance. As part of the establishment of a treasury department within the MoF,

EU-Tacis (the European Union's grant-financed technical assistance to 12 countries in Eastern Europe and Central Asia) is introducing best practices in human resource management.

Results Monitoring and Evaluation Systems. Challenges to monitoring and evaluation include the unavailability of many types of data due to the government's secrecy provisions, the existing culture of compliance which tends to produce "safe" but unreliable data, disparities in statistical definitions between the government and international organizations, and the lack of recent census data. Existing and planned monitoring and evaluation systems are set at the national, sector, and project levels. Many of them are being developed or improved with assistance from donors including ADB, the World Bank, the United Nations Development Programme (UNDP) and other UN agencies, EU-Tacis, and the International Monetary Fund.

Despite these challenges, development of a reasonably reliable monitoring and evaluation system for the results-based country strategy and program (RB-CSP) is within reach. First of all, ADB should consider to what extent it is feasible and useful to align the country strategy and program (CSP) monitoring and evaluation system with the monitoring systems for the WISP,

MDGs, and United Nations Development Assistance Framework given the challenges associated with using each of these systems. In addition, ADB could tap into the outcomes of studies, surveys, and projects undertaken by the government with assistance from development institutions such as ADB, UNDP, UNICEF, UNESCO, and the International Finance Corporation. Regular statistical reports by the government's SSC and line ministries/agencies are also potential sources of information although the validity and reliability of the data may have to be established beforehand.

In view of the challenges posed by monitoring and evaluation in Uzbekistan, it would be helpful to keep the number of indicators for the CSP at a manageable level. ADB should continue to support monitoring and evaluation initiatives in the country.

B. A Summary of the Rapid Assessment of Results Management Capacity in Bhutan

As part of the extensive changes the Royal Government of Bhutan is going through, initiatives have been taken to establish and develop results management mechanisms in all levels of the public sector. Guidelines for a national monitoring and evaluation system will be finalized by the end of 2005; systems already established in sector ministries like health and agriculture will be improved; the capability of the Royal Audit Authority, the National Statistical Bureau, and the National Assembly will be further developed; and an MTEF will be introduced. Extensive and decisive capacity development is taking place at various levels.

This range of initiatives will most likely address the

inadequacies in the current monitoring and evaluation systems. Data from several sources are already available but are not systematized, analyzed, and utilized to the extent possible. Sophisticated information technology is being implemented but will only be fully used when the ongoing development of capacity and telecommunications throughout the country are further advanced. The 5-year plan gives clear directions for development and expenditures, but the concrete linkage between performance data, planning, indicators, and resource allocation in annual planning and budgeting is still vague. While strong and determined leadership is in place in various agencies and departments and a remarkable degree of openness, transparency, and insight is recognized, sufficient skilled human capacity is lacking in many places.

Within a few years, Bhutan has the potential to have well functioning results management systems in place at all levels of government. It will, however, require concerted efforts from the government and all development partners in building and strengthening capacities and maintaining strong leadership. As one of the country's most important donors, ADB should increase its support for these efforts.

Appendix 2: Materials and Resources on International Experience with Results Management

There is a vast body of documentation and materials on the experience of national governments and international agencies. A starting point for further familiarization with international experience may include the following resources.

- Asian Development Bank. Results Management Unit. Available: <http://www.adb.org/mfdr/default.asp>
- Asian Development Bank Institute. 2005. Development Management for Senior Executives. Tokyo, Japan. 4–8 April 2005. Available: <http://www.adbi.org/event/282.development.management.workshop/>
- *Comparative Policy Evaluation Series*. Transaction Publishers. Available: <http://www.transactionpub.com/cgi-bin/transactionpublishers.storefront/439e57f40039f3169c4ec0a80a7306eb/Cartridge/ss1257027b/AdvSearch/Run/MASK989>
- Joint Multilateral Development Banks. Managing for Development Results. Available: <http://www.mfdr.org/>
- Joint Multilateral Development Banks. 2005. *Managing for Development Results Principles in Action: Sourcebook on Emerging Good Practice*. Available: <http://www.mfdr.org/sourcebook.html>
- Kusek, J.Z and R.C. Rist. 2004. *Ten Steps to a Results-based Monitoring and Evaluation System*. World Bank. Available: http://www.worldbankinfoshop.org/ecommerce/catalog/product?item_id=3688663
- New Zealand State Services Commission. Managing for Outcomes / Results. Available: <http://www.ssc.govt.nz/display/document.asp?NavID=208>
- Office of Management and Budget. 1993. *US Government Performance and Results Act*. Available: <http://www.whitehouse.gov/OMB/mgmt-gpra/gplaw2m.html>
- Organisation for Economic Co-operation. 2004. *Governing for Performance*. Available: <http://www.oecd.org/dataoecd/52/44/33873341.pdf>

- Organisation for Economic Co-operation and Development/Development Assistance Committee. 2002. *Glossary of Key Terms in Evaluation and Results Based Management*. Available: <http://www.oecd.org/dataoecd/29/21/2754804.pdf>
- Rodriguez-Garcia, R. and E.M. White. 2005. *Self-Assessment in Managing for Results: Conducting Self-Assessment for Development Practitioners*. World Bank. World Bank Working Paper No. 41. Available: http://publications.worldbank.org/ecommerce/catalog/product?item_id=4600312
- Schick, Allan. 2002. *The Performing State: Reflection on an Idea Whose Time Has Come but Whose Implementation Has Not*. OECD Journal of Budgeting. OECD. Available: <http://www.oecd.org/dataoecd/12/2/33658116.pdf>

Capacity for Results Management

This guide explains the main principles of results management—the core of the Managing for Development Results approach. This guide also discusses the implications of implementing the approach and its application in ADB’s operations at country and project levels.

About the Asian Development Bank

The Asian Development Bank (ADB)’s work is aimed at improving the welfare of the people of the Asia and Pacific region, particularly for the 1.9 billion who live on less than \$2 a day. Despite the success stories, Asia and the Pacific remains home to two thirds of the world’s poor. ADB is a multilateral development finance institution owned by 64 members, 46 from the region and 18 from other parts of the globe. ADB’s vision is a region free of poverty. Its mission is to help its developing member countries reduce poverty and improve their quality of life.

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