

ASIAN DEVELOPMENT BANK

ANNUAL REPORT

OF THE

**COOPERATION FUND IN SUPPORT OF THE FORMULATION AND IMPLEMENTATION OF
NATIONAL POVERTY REDUCTION STRATEGIES**

JANUARY–DECEMBER 2003

June 2004

ABBREVIATIONS

ADB	– Asian Development Bank
CSP	– country strategy and program
CSPU	– country strategy and program updates
DFID	– Department for International Development of the Government of the United Kingdom of Great Britain and Northern Ireland
DMC	– Developing member country
ECRD	– East and Central Asia Department
ERDI	– Development Indicators and Policy Research Division
GCF	– Governance Cooperation Fund
GMS	– Greater Mekong Subregion
MDG	– Millennium Development Goals
MKRD	– Mekong Department
NGO	– Nongovernment organization
NGOC	– Nongovernment Organization Center
NPRS	– Cooperation Fund in Support of the Formulation and Implementation of National Poverty Reduction Strategies
OCO	– Office of Cofinancing Operations
PARD	– Pacific Department
PRC	– People’s Republic of China
PRF	– Poverty Reduction Cooperation Fund
RCSP	– Regional Cooperation Strategy and Program
RM	– resident mission
RSDD	– Regional and Sustainable Development Department
RSPR	– Poverty Reduction and Social Development Division, RSDD
SARD	– South Asia Department
TA	– technical assistance

NOTE

In this report, “\$” refers to US dollar.

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I. INTRODUCTION

1. This Second Annual Report on the Cooperation Fund in Support of the Formulation and Implementation of National Poverty Reduction Strategies (NPRS) covers the period from 1 January to 31 December 2003. The Report summarizes the overall achievements of the NPRS in portfolio development and management and the proposed work program for 2004.

2. The Report was prepared by the Regional and Sustainable Development Department (RSDD) of the Asian Development Bank (ADB) in collaboration with the Office of Cofinancing Operations (OCO). It complies with the reporting requirements stipulated in the NPRS Board Paper.¹ The Report builds on the First Annual Report (November 2001–December 2002) and other relevant reports that have been submitted to the Government of the Netherlands. The next annual report will be submitted in early 2005.

II. BACKGROUND

A. Objectives

3. The NPRS was established on 22 November 2001 as a multidonor fund, with an initial contribution of Dutch guilders 15 million² (approximately \$7.6 million as of 31 December 2003) from the Netherlands Ministry of Foreign Affairs (the Netherlands). The NPRS supports ADB's poverty reduction strategy by helping developing member countries (DMCs) formulate, prioritize, implement, monitor, and reformulate their respective national poverty reduction strategies. It does so through (i) collaborative work with stakeholders in DMCs through temporary consultant support to contribute to the national poverty reduction strategy process, (ii) support to participatory and consultative processes, (iii) training and capacity-building activities to DMCs, and (iv) research and analytical work. The key outputs are (i) national poverty reduction strategies formulated, (ii) substantial inputs for implementing the strategies, (iii) better understanding of poverty in DMCs, (iv) improved skills of DMC stakeholders, and (v) enhanced collaboration between ADB and the donors in formulating and implementing the national poverty reduction strategy.

B. Eligibility

4. To be eligible for NPRS assistance, proposals should (i) strongly focus on supporting a national poverty reduction strategy; (ii) show evidence of country ownership and the inclusiveness of the proposed approach; (iii) promote sound collaboration with other donors; (iv) avoid supporting activities that would otherwise be financed by ADB (additionality factor); and (v) support systemic poverty reduction at a country level. The Fund also emphasizes that each proposal must have explicit links with ADB's country strategy and program (CSP) and its annual updates (CSPUs). ADB staff members are eligible to submit proposals.

5. Given its size, the NPRS initially focused only on Cambodia, People's Republic of China (PRC), Indonesia, Pakistan, Uzbekistan, and Viet Nam. Given the broadening demand for assistance, the Fund later expanded its coverage to all DMCs.

¹ ADB. 2001. *Cooperation Fund in Support of the Formulation and Implementation of National Poverty Reduction Strategies*. Manila.

² Converted into and fixed at about €6.8 million as indicated in the channel fund arrangement.

C. Approval Procedure

6. Since the establishment of the Poverty Reduction Cooperation Fund (PRF) financed by the Department for International Development (DFID) of the Government of the United Kingdom of Great Britain and Northern Ireland in July 2002, the approval procedure of the NPRS has been fully aligned with that of the PRF. The procedure comprises two main stages: concept paper endorsement by the donor and technical assistance (TA) paper approval by ADB. First, the requests for the NPRS assistance are received by RSDD as a coordinating department from the ADB regional departments or resident missions throughout the year. In 2003, the proposals were solicited in two 6-monthly batches. Following a brief discussion, ADB staff prepares proposals and submit them to RSDD. The concept papers are screened in light of the NPRS eligibility criteria (para. 4). RSDD then organizes peer review meetings to solicit comments from selected staff and to refine the proposals. RSDD consolidates the proposals and submits them to the Netherlands. The proposals are finally endorsed for funding during the NPRS/PRF strategy meetings. The second stage is to obtain ADB approval. The operational project teams process the respective TA papers in accordance with ADB procedures and based on further discussion with the governments and civil society of the respective countries, and submit them for approval to the ADB Management or Board of Directors as appropriate. After ADB approval, ADB and the governments sign the TA cooperation letters, and project implementation begins. The detailed NPRS/PRF processing steps are in Appendix 1.

D. Fund Management

7. In view of ADB's reorganization in January 2002 and the new business processes³, the management of the NPRS was lodged with the Poverty Reduction and Social Development Division (RSPR) of RSDD. RSDD/RSPR also performs similar functions for the PRF. RSDD/RSPR functions as ADB's internal clearinghouse for policy compliance and quality assurance for the NPRS. OCO acts as the official channel of communications between the donors and ADB, particularly on the financial performance of the Fund.

E. Coordination and Partnership

8. As mentioned in paras. 6 and 7, the NPRS is administered and managed in close coordination with the PRF. The NPRS and PRF partnership is strengthened through joint semi-annual strategy meetings in Manila during which the work program and the status of project implementation are discussed. The agenda of these strategy meetings, among others, include (i) indicative allocation of resources and the annual work program; (ii) program and portfolio management to balance the country, sector, and thematic allocations; (iii) implementation issues and aid coordination; and (iv) Fund activities undertaken and their poverty reduction impacts.

9. The NPRS also complements ADB's other poverty reduction funds and cofinancing mechanisms such as the Japan Fund for Poverty Reduction, Technical Assistance Cooperation Fund for India, and DFID-ADB Poverty Reduction Partnership in Indonesia. Further, the NPRS is coordinated with other thematic/sector trust funds managed by RSDD, such as Gender and Development Cooperation Fund, Governance Cooperation Fund, Poverty and Environment Fund, and Cooperation Fund for the Water Sector. Periodic information sharing and discussion with other fund coordinators prevent overlaps and ensure complementarities across proposed activities.

³ ADB. 2002. *Business Processes for the Reorganized ADB*. Manila.

F. Reporting

10. ADB furnishes the Netherlands with annual reports and semi-annual progress updates, as per the Board Paper.⁴ As the donor had requested strengthening of disbursement monitoring, OCO submits quarterly reports on the status of the grant and statement of expenditures. The semi-annual NPRS/PRF strategy meetings also offer an opportunity for ADB to make up-to-date reports to the donors.

G. Monitoring and Evaluation

11. While the NPRS Board Paper does not provide for a specific impact monitoring and evaluation mechanism, the overall performance of the NPRS is evaluated against the outputs specified in para. 3. Detailed methodologies will be developed in line with a possible midterm review in 2004 (para. 28-vii).

III. OVERVIEW OF NPRS FUND ACHIEVEMENTS: JANUARY – DECEMBER 2003

12. During the report period, the NPRS experienced faster progress in endorsement of new concepts, ADB approval, TA implementation, and disbursement. The way the NPRS is managed was also strengthened through various new measures adopted. Details follow.

A. Project Portfolio Development

13. **Overview.** As of 31 December 2003, the Netherlands had endorsed 15 project proposals worth \$4,990,000 for financing by the NPRS. They comprised three proposals endorsed in November 2001 (totaling \$700,000), one in July 2002 (\$500,000), three in December 2002 (totaling \$1,540,000) and eight in July 2003 (totaling \$2,250,000). Of the 15 endorsed proposals, one has been completed and fully implemented (\$50,000). Ten TAs are being implemented (\$3,140,000), and four are being processed (\$1,800,000). The projects that the Netherlands endorsed for NPRS financing are listed in Appendix 2. The detailed descriptions and status of all projects are in Appendix 3.

14. **Endorsement.** Eight proposals or about 45% of the total portfolio were endorsed in 2003: (i) capacity building support through three resident missions (Cambodia, Pakistan and Viet Nam) to assist national poverty reduction strategy and other poverty reduction initiatives (3 separate projects, cofinanced by the PRF); (ii) capacity building support to ensure consistency across poverty data collection and analysis methodologies in Sri Lanka; (iii) analytical and capacity building support to strengthen gender dimensions in poverty reduction strategies in selected Central Asian republics; (iv) a study to better understand the nature of cross-border socioeconomic issues and their impact on poverty in selected border towns in the Greater Mekong Subregion; (v) capacity building support for participatory pro-poor strategy development in ADB operation; and (vi) regional training on poverty data collection, analysis, and policy design. Of the eight projects, four were approved by ADB in 2003 and are now ready for implementation.

15. **ADB Approval.** The pace of ADB approval also accelerated in 2003. Seven TAs (\$1,990,000), or 62% of the total 11 approved TAs (\$3,190,000) were approved in 2003. The rate is much faster than previous annual approval rates. The faster rate is partly due to the new

⁴ The first, second, and third semi-annual progress updates were submitted on 30 September 2002, 26 May 2003, and 27 January 2004, respectively. The First Annual Report (2001– 2002) was submitted in October 2003.

9-month cutoff scheme adopted in July 2003, under which funding validity would be reconsidered if a TA cannot be approved by ADB within 9 months from the endorsement.

16. **Implementation.** Three TAs that have been under implementation are (i) Uzbekistan: Comprehensive Medium-Term Strategy (\$570,000)⁵; (ii) Cambodia: Dissemination of the National Poverty Reduction Strategy (\$80,000)⁶; and (iii) Pacific Regional: National Poverty Reduction Strategies in Pacific Developing Member Countries (\$500,000).⁷ Of the 3, two (Uzbekistan and Pacific) accelerated implementation during 2003 and are approaching the final phase (Appendix 3). The Cambodia TA continued to struggle, however, due to the political turmoil that followed the national elections in July 2003. The People's Republic of China TA (Participatory Poverty Reduction Planning for Small Minorities, \$840,000),⁸ approved in August 2003, progressed with consultant selection and was scheduled to begin in February 2004.

17. **Portfolio Balance.** The regional balance across DMCs was maintained during 2003. With the lifting of the initial country restrictions in July 2003, the reporting period saw the diversification of countries with increased interregional proposals. In the entire portfolio, the Mekong Region and the interregional TAs had the largest number of TAs (four), followed by East and Central Asia region (three), and South Asia region and the Pacific region (two).

18. In terms of the four categories of core TA emphasis (para. 3), (i) eight TAs provided consultant support to collaborative work, (ii) three TAs emphasized participatory and consultative processes, (iii) two TAs focused on training to DMCs, and (iv) two TAs provided research and analytical work. Examples of each type are in the box.

Technical Assistance Illustrating Four Categories of Emphasis

Case 1: Collaborative Work for National Poverty Reduction Strategies

Pacific Regional: National Poverty Reduction Strategies in Pacific Developing Member Countries. (TA 6047-REG, \$500,000)

The NPRS has been supporting participatory poverty assessments in four countries (Fiji Islands, Federated States of Micronesia, Tonga, and Tuvalu). The perceptions, priorities, and coping mechanisms of the poor, vulnerable, and the excluded groups have been identified. The findings have been shared among the government, civil society, and the private sector partners in each country and are being incorporated into the country's national development plans and poverty reduction strategies.

Case 2: Participatory and Consultative Process

ADB, 2003. Technical Assistance to the People's Republic of China for Participatory Poverty Reduction Planning for Small Minorities. Manila. (TA 4158-PRC, \$840,000)

The TA supports the Government's first targeted attempt to facilitate the bottom-up planning process to develop poverty reduction and cultural protection plans among the 22 smallest minority groups in the PRC that have been largely outside the main government poverty reduction programs.

Case 3: Training

⁵ ADB, 2001. Technical Assistance for *Comprehensive Medium-Term Strategy for Improving the Living Standards of the People of Uzbekistan*. Manila.

⁶ ADB, 2002. Technical Assistance for *Cambodia for the Dissemination of the National Poverty Reduction Strategy*. Manila.

⁷ ADB, 2002. Regional Technical Assistance for *National Poverty Reduction Strategies in Pacific Developing Member Countries*. Manila.

⁸ ADB, 2003. Technical Assistance for *People's Republic of China for Participatory Poverty Reduction Planning for Small Minorities*. Manila.

Regional: Training and Capacity Building for Monitoring Poverty Reduction (being processed, \$400,000)

In close collaboration with other key multilateral institutions, the proposed TA aims to provide a series of training to government officials and civil society organizations on quantitative and qualitative poverty data collection and analysis, poverty monitoring, pro-poor policy and strategy development, and other capacity required to formulate, implement, monitor, evaluate and reformulate the respective national poverty reduction strategies.

Case 4: Research and Analytical Work

Mekong Regional: Unmasking Cross-Border Poverty in the Greater Mekong Subregion (being processed, \$750,000)

Using quantitative and qualitative methodologies, this NPRS-supported TA will support an in-depth analysis of how increased connectivity promoted through regional economic integration is affecting the livelihoods of the poor in selected border towns in the Greater Mekong Subregion. The findings will feed into the monitoring of the individual national poverty reduction strategy of the participating countries.

B. Financial Status

19. **Overview.** The total NPRS contribution committed by the Netherlands is about €6.8 million (footnote 2) for project financing from November 2001 to August 2004. As of 31 December 2003, the value of the NPRS Fund (including income from investment and interest earned) was \$7.63 million. Of this, ADB had received \$2.32 million. Of the total contribution of the Netherlands, \$3.19 million had been committed, i.e., approved by ADB, for 11 TAs (para. 15). The total actual expenditure of the committed amount was \$0.73 million. Together with administrative costs and bank charges, the total expenditure totaled \$0.76 million. Including administration costs, bank charges and other miscellaneous costs, the remaining uncommitted balance was \$4.30 million, of which \$1.80 million for four TAs being processed was expected to be committed soon. The financial statement as of 31 December 2003 is in Appendix 4.

20. **Disbursement.** Actual disbursement during 2003 increased from \$36,097 on 31 December 2002 (for four TAs totaling \$1.2 million) to \$725,420 on 31 December 2003 (for 11 TAs totaling \$3.19 million). Most of the incremental expenditure came from progress made in the 2 TAs (Uzbekistan and Pacific, footnotes 5 and 7).

21. **Projection for 2004.** Based on the project-by-project disbursement estimates submitted by project officers, the expected incremental disbursements are \$0.66 million for January-June 2004 and \$1.66 million for July-December 2004. Including administrative and bank charges, it is expected that additional remittance of about \$0.9 million will be required around September 2004.⁹ The estimated increase in the overall disbursement is due to the effectiveness of the recently approved TAs. The pace of disbursement will continue to be monitored by the respective regional departments and RSDD/RSPR.

⁹ Detailed estimates for each project is found in Appendix 2 of NPRS Portfolio and Fund Management Summary Sheet (submitted to the Netherlands on 27 January 2004 to replace the Fourth Semi-Annual Progress Update). In response to the donor request and as per the PRF memorandum of understanding, such semi-annual disbursement projection was initiated in July 2003.

C. Key Achievements in Fund Management

22. **Measures to Ensure Quality at Entry.** Various new measures were adopted during the review period to ensure the quality of project design and its focus on the national poverty reduction strategy. They include (i) systematization of peer review meetings with the participation of relevant peer reviewers from ADB, (ii) advance submission of the peer-reviewed and revised concept papers to the donors to allow well-prepared and quality discussion at the semi-annual strategy meetings (para. 25), and (iii) strengthened focus on the NPRS/PRF eligibility criteria through the introduction of the new concept paper format (Appendix 5) and the Guidelines for peer reviewers (Appendix 6). These new measures were complemented by the continuing technical advisory support from RSDD/RSPR throughout the project conceptualization and processing stage and financial support by the Fund for fact-finding missions.

23. **Strengthened Monitoring of Implementation.** In response to the heightened emphasis on results by the Netherlands and the international community, the monitoring system for the NPRS Fund has been strengthened by introducing the following measures: (i) revamp of the project database and its regular updating; (ii) introduction of a one-page semi-annual project status report to be submitted by all project officers to allow inclusion of most up-to-date information in the semi-annual and annual reports to the donors (Appendix 3); (iii) introduction of semi-annual disbursement projection (as part of the semi-annual project status report) to allow overall projection of the funding requirement as well as monitoring of the disbursement pace; (iv) quarterly submission of a report on the status of grants and statement of expenditures (prepared by the Controller's Department) to monitor the disbursement pace and trend; (v) improved content analysis of the portfolio by including the regional balance as well as type of assistance; and (vi) recruitment of two administrative contractual staff members to strengthen monitoring of the TA progress, e.g., increased communication with project staff and day-to-day monitoring of the ADB-wide TA performance report system.

24. **Procedural Clarity and Improvement.** In 2003, a twice-a-year batch system was applied, and the scheduled intakes of new proposals were announced in advance. This helped project officers plan their work schedules. In addition, to provide a clear benchmark in the processing schedule, a 9-month cutoff system (para. 15) was introduced, which accelerated the pace of TA processing. Further, in view of the need for an ADB-wide concept note for inclusion in CSPs and CSPUs or for Vice President's concept clearance, a new concept paper format was prepared (para. 22). The NPRS/PRF concept paper template is built into ADB's normal procedure.

25. **Strengthened Strategic Focus.** During the review period, RSDD organized one semi-annual NPRS/PRF strategy meeting in Manila (the Third Strategy Meeting, 28–30 July 2003) and prepared another (the fourth on 27–29 January 2004). The strategy meetings successfully provided strategic dimensions to the NPRS/PRF management. Various measures highlighted in paras. 22–24 arose from these meetings. In particular, the Issues Paper prepared for the Fourth Strategy Meeting provided analysis and possible solutions and scenarios to address the following issues: (i) procedural alignment of the NPRS/PRF with CSPs and CSPUs, (ii) factors affecting the pace of disbursement and ways to accelerate it, (iii) mechanisms to systematically monitor aggregate impacts of the NPRS/PRF at country and subregional levels¹⁰. The draft Issues Paper was circulated to the concerned departments within ADB and to the donors on 16 December 2003.

¹⁰ ADB. January 2004. Issues Paper for the Fourth Strategy Meeting (Final Draft). Manila.

26. **Outreach and Communication.** Through the promotional activities, the NPRS, together with the PRF, has gained further visibility within ADB; however more awareness needs to be raised among the DMCs to increase their roles in identifying proposals. Early policy dialogue with DMCs is expected in 2004, with further alignment with CSPs and CSPUs. Case studies of good practice were initiated in late 2003 in preparation for revamping the NPRS Fund website (<http://adb.org/nprs/>) in 2004. More active press releases were promoted.

27. **Coordination and Partnership.** Increased efforts were made in 2003 to coordinate with other poverty reduction grant funds and thematic and/or sector trust funds (paras. 8-9). The Netherlands agreed during the Third Strategy Meeting to pursue further harmonization with the PRF in fund management. Information exchange with coordinators of other funds was strengthened. For example, the lessons learned and the revised procedures for the Governance Cooperation Fund (GCF), which went through a midterm review in 2003, were incorporated into the Issues Paper of the NPRS/PRF. The NPRS/PRF Coordinator was in turn invited to the donor meeting of the GCF to share experience in fund management.

IV. ACTIVITIES FOR THE YEAR 2004

28. Two semiannual NPRS/PRF strategy meetings were scheduled for 2004: the Fourth Strategy Meeting on 27–29 January 2004, and the Fifth Strategy Meeting on 27–29 July 2004. Further, the following are set as targets for 2004.

- (i) Extend the NPRS duration (originally until August 2004) in view of the pace of new project endorsement and disbursement.
- (ii) Ensure early policy dialogue with DMCs in identifying of new proposals through a strengthened procedural alignment with CSPs and CSPUs.
- (iii) Accelerate ADB approval of endorsed projects by maintaining a cutoff date for approval and establishing streamlined procedures.
- (iv) Accelerate implementation of and disbursements for approved projects through close monitoring of disbursement targets.
- (v) Continue to help the regional departments prepare quality proposals through the peer review process and other measures.
- (vi) Enhance outreach and communications through the revamped web site, press releases, other media tools, and continued consultation with regional departments.
- (vii) In line with ADB's new results-based management, strengthen the monitoring of demonstrable outcomes of the activities carried out and their impacts on ADB operations, possibly by carrying out a midterm review.
- (viii) Continue harmonization with other relevant donor-assisted grant funds.

PROJECTS ENDORSED FOR NPRS FINANCING BY THE NETHERLANDS

Region	Country	Project Title	NPRS Contribution	Project Officer	Division	Strategy Meeting	ADB Approval ^a	TA No.	Remarks
A. Projects Approved by ADB									
REG	INTER-REG 1	Regional Conference on National Poverty Reduction Strategies	50,000	B. Dark	SPPI	Nov-01	21-Nov-01	6006	Completed
		Sub-Total	\$50,000						
B. Projects Approved by ADB									
ECRD	PRC	Participatory Poverty Reduction Planning for Small Minorities	840,000	D. Sobel	PRCM	Dec-02	12-Aug-03	4158	
ECRD	UZB	Comprehensive Medium-Term Strategy for Improving the Living Standards of the People of Uzbekistan	570,000	M. Perlas	URM	Nov-01	28-Nov-01	3781	
MKRD	CAM	Dissemination of the National Poverty Reduction Strategy	80,000	C. Ouch	CARM	Nov-01	16-Dec-02	4037	
MKRD	CAM	Engagement of a Poverty Consultant at the Cambodia Resident Mission (Extension)	31,500	C. Ouch	CARM	Jul-03	16-Dec-03	3955	TASF \$18,000; PRF \$63,500
MKRD	VIE	Support to Poverty Reduction Activities in Viet Nam	37,000	R. Adhikari	VRM	Jul-03	12-Dec-03	4252	TASF \$15,000; PRF \$73,000
SARD	PAK	Supporting Poverty Reduction Initiatives in Pakistan	31,500	N. Hamid/ S. Parvez	PRM	Jul-03	18-Dec-03	4277	TASF \$39,000; PRF \$63,500
SARD	SRI	Sri Lanka Poverty Assessment and Information Management	350,000	B. Smith/ S.Ho	SLRM/ SAOC	Jul-03	18-Dec-03	4278	
PARD	SUB-REG	National Poverty Reduction Strategies in Pacific Developing Member Countries	500,000	S. Pollard	PAHQ	Jul-02	6-Sep-02	6047	
PARD	SUB-REG	Strengthening Poverty Analysis and Strategies in the Pacific	400,000	M. Prokop	PAHQ	Dec-02	18-Dec-03	6157	PRF\$400,000
REG	INTER-REG 10	Developing a Social Protection Index for Committed Poverty Reduction	300,000	A. Weber	SASS	Dec-02	27-Aug-03	6120	PRF \$300,000
		Subtotal	\$3,140,000						

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PROJECTS ENDORSED FOR NPRS FINANCING BY THE NETHERLANDS

Region	Country	Project Title	NPRS Contribution	Project Officer	Division	Strategy Meeting	ADB Approval ^a	TA No.	Remarks
C. Projects Being Processed									
ECRD	SUB-REG	Gender and Poverty Reduction Strategy in Central Asian Regions (Azerbaijan, Kazakhstan, Kyrgyz Republic and Tajikistan)	350,000	S. Handayani	ECSS	Jul-03	Q2-04 (expected)	-	
MKRD	SUB-REG	Unmasking Cross-border Poverty in the Greater Mekong Subregion	750,000	J. Oka	MKAE	Jul-03	Q1-04 (expected)	-	
REG	INTER-REG	Building Capacity for Participatory Approaches to Poverty Reduction in ADB Operation	300,000	A. Sweetser	RSPR	Jul-03	Q1-04 (expected)	-	PRF \$300,000
REG	INTER-REG	Training and Capacity Building for Monitoring Poverty Reduction	400,000	A. Panggabean	RSPR	Jul-03	Q1-04 (expected)	-	
	4	Subtotal	\$1,800,000						
	15	Grand Total	\$4,990,000						

CAM = Cambodia
 CARM = Cambodia Resident Mission,
 ECRD = East and Central Asia Department
 ECSS = East and Central Asia Social Sectors Division
 INTER-REG = Interregional,
 MKAE = Mekong Agriculture, Environment and Natural Resources Division
 PAHQ = Pacific Operations Division
 PAK = Pakistan
 PRM = Pakistan Resident Mission
 REG = regional

SAOC = South Asia Operations Division
 SASS = South Asia Social Sectors Division
 SLRM = Sri Lanka Resident Mission
 SPPI = Strategic Planning, Policy and Inter-agency Relations
 SRI = Sri Lanka
 SUB-REG = Sub regional
 TASF = Technical Assistance Special Fund
 URM = Uzbekistan Resident Mission
 VIE = Viet Nam

DESCRIPTION AND STATUS OF NPRS PROJECTS IN THE PORTFOLIO OF THE NETHERLANDS GOVERNMENT

(As of 31 December 2003)

Region	Country	TA No.	Name of Project	Division	Amount	Donor Endorsement	ADB Approval	Project Description	Project Status
A. Projects Completed									
REG	INTER-REG	6006	Regional Conference on National Poverty Reduction Strategies	SPPI	50,000	Nov-01	21-Nov-01	Support to the Regional Conference on PRSP formulation and progress review, jointly organized by IMF, UNDP, and WB.	Completed on time (but not financially closed). The high-level conference was held in December 2001 in Hanoi with participants from the Mekong region and others (Indonesia, Timor Leste, PRC, Mongolia). The fund enabled ADB to play strategic roles in PRSP formulation and monitoring. The conference led to a larger involvement of ADB in the second conference in October 2003 in Phnom Penh.
					Subtotal	50,000			
B. Projects Under Implementation									
ECRD	PRC	4158	Participatory Poverty Reduction Planning for Small Minorities	PRCM	840,000	Dec-02	12-Aug-03	Capacity-building support to formulate a poverty reduction plan among the 22 small minority groups, applying a multidimensional and participatory planning methodology developed based on the PRC's and international best practices. The key output will be the plan with policy recommendations.	Processing delayed but implementation on time. The short-listed consulting firms submitted their technical and financial proposals on 30 November 2003. The technical proposals are being evaluated. It is expected that contract negotiations with the winning firm will be held in Jan 2004. International individual consultants will be recruited then. The TA implementation shall begin in Feb 2004.
ECRD	UZB	3781	Comprehensive Medium-Term Strategy for Improving the Living Standards of the People of Uzbekistan	ECAE	570,000	Nov-01	28-Nov-01	Capacity-building support to prepare a medium-term poverty reduction strategy with key stakeholder participation. The project will assist in collecting statistical data on living standards as well as train policy makers on pro-poor growth strategies and social policy. The key output will be the medium-term strategy.	Initial delay in implementation but activities are almost completed. Initial delay was due to administrative issues in engaging domestic consultants, reorganizing the implementing agency, change in economic and political environment, and most important, the limited technical capacity of the sector working group who are tasked to formulate the living standard strategy.

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DESCRIPTION AND STATUS OF NPRS PROJECTS IN THE PORTFOLIO OF THE NETHERLANDS GOVERNMENT -Continued

(As of 31 December 2003)

Region	Country	TA No.	Name of Project	Division	Amount	Donor Endorsement	ADB Approval	Project Description	Project Status
MKRD	CAM	3955	Support to Poverty Reduction Activities in Cambodia (Poverty expert extension)	CARM	31,500	Jul-03	15-Dec-03	Capacity-building support to the country through an RM poverty consultant for 2 years. The assistance will cover policy, sector, and project levels as well as policy dialogue with the government, civil society, private sector, and development partners.	Just approved. Cofinanced by ADB TA program (TASF) \$18,000; PRF \$63,500. It builds on the successful initial phase of 6 months (financed by PRF), which effectively increased the Resident Mission's capacity in assisting the process of the national poverty reduction strategy formulation.
MKRD	CAM	4037	Dissemination of the National Poverty Reduction Strategy	MKOC	80,000	Nov-01	16-Dec-02	Support to widely disseminate National Poverty Reduction Strategies of Cambodia to local level and civil society.	Implementation delayed. The original completion date was 31 July 2003. Due to the political impasse in forming the new Government after the elections in July 2003, the project was extended to 31 March 2004. It will need to be further extended to the end of 2004 to be able to fully achieve the TA objectives. Part of the TA fund was used for additional publication of the Second Socio-economic Development Plan, 2001-2005; and the National Poverty Reduction Strategy, 2003-2005, for the launching in March 2004 and for nationwide distribution.
MKRD	VIE	4252	Support to Poverty Reduction Activities in Vietnam	VRM	37,000	Aug-03	12-Dec-03	Capacity-building support to the country through an RM poverty consultant for 2 years. The TA will especially focus on monitoring the implementation of the poverty partnership agreement, and accelerate various sector and/or thematic work to identify future poverty projects, as well as to strengthen coordination and consultation with key stakeholders.	Just approved. TASF \$15,000; PRF \$73,000.

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DESCRIPTION AND STATUS OF NPRS PROJECTS IN THE PORTFOLIO OF THE NETHERLANDS GOVERNMENT -Continued

(As of 31 December 2003)

Reg	Ctry	TA No.	Name of Project	Division	Amount	Donor Endorsement	ADB Approval	Project Description	Project Status
PARD	SUB-REG	6047	National Poverty Reduction Strategies in Pacific Developing Member Countries	PAHQ	500,000	Jul-02	6-Sep-02	Provide support to carry out participatory poverty assessment in 4 countries (Fiji Islands, Federated States of Micronesia, Tonga, and Tuvalu) applying the methodologies previously developed in another RETA	Currently working on final country, FSM, to be completed February 2004. Consultants were recruited in November-December 2002 and fielded in January-February 2003. Participatory poverty assessments and country development strategy reviews and poverty validations have already been concluded in Fiji Islands, Tonga, Tuvalu, and work in FSM is currently underway. This TA, together with other similar TAs, has led ADB to a leading role in participatory poverty assessment in the region.
PARD	SUB-REG	6157	Strengthening Poverty Analysis and Strategies in the Pacific	PAHQ	400,000	Dec-02	18-Dec-03	A range of capacity building initiatives in selected Pacific DMCs, including (i) data collection, analysis, and dissemination; (ii) participatory policy development; and (iii) monitoring of poverty impacts of policies and programs	Just approved. Cofinanced by PRF \$400,000. Expected to start in March 2004. Processing was slightly delayed to allow extensive consultation process involving stakeholders in the Pacific Island countries, development partners, and regional institutions. TA preparatory activities were carried out under TA 6061 (financed by PRF), including workshops and/or meetings in Nadi, Fiji Islands (March 2003), Sydney (July 2003), and Noumea, New Caledonia (September 2003), during which time the agreement was made that the original idea of the Pacific Fund would be replaced with a Program under which a series of capacity-building initiatives would be supported. Funding agencies such as NZAID, AusAID, and WB requested ADB to take the lead in this initiative.
REG	INTER-REG	6120	Developing a Social Protection Index for Committed Poverty Reduction	SASS	300,000	Dec-02	27-Aug-03	Develop a social protection index to enable monitoring of policies and programs implementation related to poverty reduction.	Processing and implementation on time. Cofinanced by PRF \$300,000. Consultants were selected. Contract negotiations expected on 15 January 04.

Continued on next page

DESCRIPTION AND STATUS OF NPRS PROJECTS IN THE PORTFOLIO OF THE NETHERLANDS GOVERNMENT -Continued

(As of 31 December 2003)

Reg	Ctry	TA No.	Name of Project	Division	Amount	Donor Endorsement	ADB Approval	Project Description	Project Status
SARD	PAK	4277	Support of Poverty Reduction Initiatives in Pakistan	PRM	31,500	Jul-03	18-Dec-03	Capacity-building support to the country through an RM poverty consultant for 2 years. The TA will especially focus on monitoring the implementation of PRSP and provincial-level plans as well as reviewing and helping develop new programs on poverty reduction. This would help PRM serve as a knowledge node on poverty in the country.	Just approved. Cofinanced by TASF \$39,000; PRF \$63,500.
SARD	SRI	4278	Poverty Assessment and Information Management	SLRM/ SAOC	350,000	Jul-03	18-Dec-03	Help improve poverty data collection, methodologies, and analysis to make them consistent across the country	Just approved after timely processing. After approval, recruitment of the consultants will be initiated. TA effectiveness is expected in March 2004.
Sub total					3,140,000				
C. Projects Being Processed									
ECRD	SUB-REG		Gender and Poverty Reduction Strategy in Central Asian Regions (Azerbaijan, Kazakhstan, Kyrgyz Republic and Tajikistan)	ECSS	350,000	Jul-03	Q2-04 (expected)	Capacity-building assistance to develop or update gender strategies in four CAR countries that would influence or be part of the respective National Poverty Reduction Strategies and relevant policies, strategies, and plans, based on detailed country-level gender and poverty analysis and stakeholder discussions.	Processing delayed. Due to the unexpected health conditions of the project officer, the fact-finding was postponed till March 2004. No objection letter from the Government has been sought to process the TA further. ADB approval expected by June 2004
MKRD	SUB-REG		Unmasking Cross-border Poverty in the Greater Mekong Subregion	MKAE	750,000	Jul-03	Q1-04 (expected)	Assessments of the nature and extent of cross-border poverty issues including impact of cross-border trade, developed transport and communication network, increased mobility of people, differentiated impacts based on ethnicity, gender, etc. The findings will influence both country-based National Poverty Reduction Strategies as well as the regional cooperation strategies in relevant sectors.	Processing on time. Fact-finding missions were undertaken to Cambodia, Laos, Thailand, and Viet Nam in October-November 2003. ADB approval is targeted for early February 2004 (TA paper circulation in mid January).

Continued on next page

DESCRIPTION AND STATUS OF NPRS PROJECTS IN THE PORTFOLIO OF THE NETHERLANDS GOVERNMENT

(As of 31 December 2003)

Reg	Ctry	TA No.	Name of Project	Division	Amount	Donor Endorsement	ADB Approval	Project Description	Project Status
REG	INTER-REG		Training and Capacity Building for Monitoring Poverty Reduction	RSPR	400,000	Jul-03	Q1-04 (expected)	An umbrella fund to support a series of training initiatives on poverty reduction for poverty data collectors, data analysts, and policymakers. Will also develop training modules building upon the existing ones.	Processing slightly delayed. TA paper is under preparation for internal circulation in January 2004. Expected ADB Approval is March 2004.
REG	INTER-REG		Building Capacity for Participatory Development Activities to Promote Poverty Reduction	RSPR	300,000	Jul-03	Q1-04 (expected)	Capacity-building on participatory pro-poor policy and/or strategy development and project planning and M&E. Teams comprising ADB, consultant, Government, and NGOs will be assisted.	Processing on time. Cofinanced by PRF \$300,000; TA paper circulated in December 2003. Preparatory work of introducing potential trainees to ADB was successful and completed (Nov-Dec 2003); Expected ADB approval is March 2004.
Sub total					1,800,000				
GRAND TOTAL					\$4,990,000				

ADB = Asian Development Bank
 AusAID = Australian Agency for International Development
 CAM = Cambodia
 CAR = Central Asian Regions
 CARM = Cambodia Resident Mission
 DMCs = developing member countries
 ECAE = Agriculture, Environment and Natural Resources Division, East and Central Asia Department
 ECRD = East and Central Asia Department
 ECSS = Social Sectors Division, East and Central Asia Department
 IMF = International Monetary Fund
 INTER-REG = Inter regional
 M&E = Monitoring and Evaluation
 MKAE = Agriculture, Environment and Natural Resources Division, Mekong Department
 MKOC = Operations Cooperation Division, Mekong Department
 MKRD = Mekong Department
 NGOs = nongovernment organization
 NZAID = New Zealand Agency for International Development
 PAK = Pakistan
 PAHQ = Operations Division, Pacific Department
 PARD = Pacific Department
 PRC = People's Republic of China

PRCM = People's Republic of China Resident Mission
 PRM = Pakistan Resident Mission
 PRSP = Poverty Reduction Strategies and Programs
 REG = regional
 RETA = regional technical assistance
 RM = resident mission
 RSPR = Poverty Reduction and Social Development Division
 SAOC = Operations Coordination Division, South Asia Department
 SARD = South Asia Department
 SASS = Social Sectors Division, South Asia Department
 SLRM = Sri Lanka Resident Mission
 SRI = Sri Lanka
 SUB-REG = Subregional
 TA = technical assistance
 TASF = Technical Assistance Special Fund
 UNDP = United Nations Development Program
 UZB = Uzbekistan
 VIE = Viet Nam
 VRM = Viet Nam Resident Mission
 WB = World Bank

ASIAN DEVELOPMENT BANK
ADMINISTRATOR FOR
TECHNICAL ASSISTANCE GRANT FUND
COOPERATION FUND FOR NATIONAL POVERTY REDUCTION STRATEGIES
(GOVERNMENT OF NETHERLANDS)

STATUS OF GRANT (CONTRIBUTION)
as of 31 December 2003
(Amounts in US dollar)

TOTAL CONTRIBUTION COMMITTED (Euro 6,783,221.37)		7,552,082.50
Add: Gain arising from change in value of currency		<u>24,025.20</u>
Amount received	2,320,000.00	
Receivable from Government of Netherlands	<u>5,256,107.70</u> ^{b/}	7,576,107.70 ^{a/}
Add: Income from investment	53,471.39	
Interest income	<u>5,217.21</u>	<u>58,688.60</u>
TOTAL AMOUNT AVAILABLE		7,634,796.30
Less: Project expenditures	(725,420.41)	
ADB administration cost	(36,271.02)	
Bank charges	<u>(275.00)</u>	<u>(761,966.43)</u>
UNUTILIZED BALANCE		6,872,829.87 ^{c/}
Less: Outstanding commitments	(1,696,531.79)	
Reserve for ADB administration cost	<u>(84,826.59)</u> ^{d/}	<u>(1,781,358.38)</u>
UNCOMMITTED BALANCE		5,091,471.49
Less: TA Approved But Not Yet Effective		
SRI/4278: Poverty Assessment and Information Management	(350,000.00)	
Reserve for ADB administration cost	<u>(17,500.00)</u>	<u>(367,500.00)</u>
UNCOMMITTED BALANCE AVAILABLE FOR NEW COMMITMENTS		<u><u>4,723,971.49</u></u>

^{a/} Represents the sum of utilized and unutilized contributions expressed in US\$ equivalents.

^{b/} Undrawn contributions in local currency are translated at the applicable exchange rate as of 31 December 2003.

^{c/} Represented by:

Cash		256,023.27
Investments		1,303,160.08
Accrued interest		311.31
Undrawn contribution - Receivable from the Government of Netherlands (Contribution of Euro 6,783,221.37 less Euro 2,597,257.20)		5,256,107.70
Advances		64,227.01
Less: Accrued expenses		<u>(6,999.50)</u>
		<u><u>6,872,829.87</u></u>

^{d/} Represents five percent (5%) of outstanding commitments.

ASIAN DEVELOPMENT BANK
Cooperation Fund for the National Poverty Reduction Strategies (Government of the Netherlands)
Table A 4.2: Statement of TA Expenditure As of 31 December 2003

(Expressed in US dollars)

TA Title	TA No./ Type	Date of Approval	TA Amount ^a (A)	Amount Received (B)	Project Expenditures ^b			Balance available (F) = (A) - (E)	Expected TA Completion Date (G)	Completed TAs	
					Cumulative up to 31-Dec-02 (C)	Transactions Jan to Dec-03 (D)	Cumulative up to 31-Dec-03 (E) = (C) + (D)			Unutilized Commitment (Savings) (H) = (A) - (E)	Financial Completion Date (I)
Cambodia											
Dissemination of the National Poverty Reduction Strategy	4037/AO	16-Dec-02	80,000.00		-	5,272.99	5,272.99	74,727.01	31-Mar-04		
Engagement of a Poverty Consultant at the Cambodia Resident Mission	3955/AO	16-Dec-03 ^c	31,500.00		-	-	-	31,500.00	30-Jun-06		
Total Cambodia			<u>111,500.00</u>		<u>-</u>	<u>5,272.99</u>	<u>5,272.99</u>	<u>106,227.01</u>			
Pakistan											
Support for Poverty Reduction Initiatives in Pakistan	4277AO	18-Dec-03	31,500.00		-	-	-	31,500.00	31-Jan-06		
PRC											
Participatory Poverty Reduction Planning for Small Minorities	4158/AO	12-Aug-03	840,000.00		-	-	-	840,000.00	31-Aug-04		
Uzbekistan											
Comprehensive Medterm Strategy for Improving the Living Standard of UZB	3781/AO	28-Nov-01	570,000.00		4,145.00	394,563.73	398,708.73	171,291.27	31-Dec-03		
Viet Nam											
Support to Poverty Reduction Activities in Viet Nam	4252/AO	12-Dec-03	37,000.00		-	-	-	37,000.00	31-Dec-05		

Continued on next page

ASIAN DEVELOPMENT BANK
Cooperation Fund for the National Poverty Reduction Strategies (Government of the Netherlands)
Table A 4.2: Statement of TA Expenditure As of 31 December 2003

(Expressed in US dollars)

TA Title	TA No./ Type	Date of Approval	TA Amount ^a (A)	Amount Received (B)	Project Expenditures ^b			Balance available (F) = (A) - (E)	Expected TA Completion Date (G)	Completed TAs	
					Cumulative up to 31-Dec-02 (C)	Transactions Jan to Dec-03 (D)	Cumulative up to 31-Dec-03 (E) = (C) + (D)			Unutilized Commitment (Savings) (H) = (A) - (E)	Financial Completion Date (I)
Regional											
Regional Conference on National Poverty Reduction Strategies	6006/RG	21-Nov-01	50,000.00		31,952.20	0.00	31,952.20	-		18,047.80	Jul-02
National Poverty Reduction Strategies in Pacific DMCs	6047/RG	6-Sep-02	500,000.00		-	289,486.49	289,486.49	210,513.51	31-Jan-04		
Social Protection Index for Committed Poverty Reduction	6120/RG	27-Aug-03	<u>300,000.00</u>		-	-	-	300,000.00	31-Mar-05		
Total Regional			<u>850,000.00</u>		<u>31,952.20</u>	<u>289,486.49</u>	<u>321,438.69</u>	<u>510,513.51</u>		<u>18,047.80</u>	
Total Approved and Effective TA			2,440,000.00	Euro 2,597,257.20 US\$ <u>2,320,000.00</u> ^d	<u>36,097.20</u>	<u>689,323.21</u>	<u>725,420.41</u>	<u>1,696,531.79</u>		<u>18,047.80</u>	
Add: TA project approved but not yet effective Poverty Assessment and Info.	4278/AO	18-Dec-03	<u>350,000.00</u>								
Total			<u><u>2,790,000.00</u></u>								

AO = advisory and operation, DMC = developing member countries, PRC = People's Republic of China, RG = regional, TA = technical assistance, UZB = Uzbekistan

^a US\$ equivalent of TA Grant at time of TA approval.

^b Actual disbursements.

^c Originally approved on 30 October 2002 until 30 September 2003, which was further extended on 16 December 2003 with NPRS funding.

^d Represents the actual US\$ equivalent of contributions received.

NPRS/PRF Concept Paper Template

{Notes:

1. Please click the **BEGIN** button on the toolbar before starting.
2. To make a new paragraph, press **Enter**, then hold down the **Ctrl** key while pushing the **Tab** key.
3. To mark a checkbox, double-click it, chose **CHECKED** from the **Default Value** box, then click **OK**.
4. Delete the instructions in red type.}

{Title} Concept Paper

Date: {Date}

{To mark a checkbox, **double-click** it, choose **CHECKED** from the **Default Value** box, then click **OK**.}

1. Type/modality of assistance (double-click on appropriate box)

- Lending
 - Project loan
 - Program loan
 - Sector loan
 - Sector development program loan
 - Other: {specify, e.g., loan-financed project preparatory, project implementation, or advisory activities}
- Nonlending
 - Project preparatory
 - Other than project preparatory
 - Economic, thematic, and sector work
 - Institutional development
 - Other: {specify}

2. Assistance Focus

- a. If assistance focuses on a particular sector or subsector, specify the
Sector: {insert sector name}
Subsector: {insert subsector name}
- b. For project preparatory and lending, classification {check one}
 - Core poverty intervention
 - Poverty intervention
- c. Key thematic area(s) {check more than one category, if applicable}

<input type="checkbox"/> Sustainable Economic Growth	<input type="checkbox"/> Governance
<input type="checkbox"/> Inclusive Social Development	<input type="checkbox"/> Regional Cooperation
<input type="checkbox"/> Gender and Development	<input type="checkbox"/> Private Sector Development
<input type="checkbox"/> Environmental Sustainability	<input type="checkbox"/> Other: {specify}

3. Coverage {click on appropriate box}

- Country Subregional Interregional
- Internal policy development

4. Responsible division/department: {insert name}

5. Responsible ADB officer(s): {insert name if known}

6. Description of assistance(s)

- a. **Background/linkage to country/regional strategy:** {insert text}
- b. **Goal and purpose:** {insert text}
- c. **Components and outputs:** {insert text}
- d. **Expected results and deliverables:** {insert text}

<p>e. Social or environmental issues or concerns: {insert text}</p> <p>f. Plans for disseminating results/deliverables: {insert text}</p>
<p>7. Proposed executing/implementing agencies: {insert name(s)}</p>
<p>8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: {insert text}</p> <p>(Note: Mention the institutions in government and civil society, including nongovernment organizations, that have been consulted about the project, and the nature of the consultations.)</p>
<p>9. Timetable for assistance design, processing, and implementation</p> <p>a. Year included in CSP, CSP update, SCSP, SCSP update, or interregional work plan: {Year}</p> <p>b. Expected date of submission for approval Lending: {date} Nonlending (project preparatory): {date} Nonlending (other than project preparatory): {date}</p> <p>c. Period and duration of assistance{s} Lending: {insert period and duration} Nonlending: {insert period and duration}</p>
<p>10. Financing Plan (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)</p> <p>a. For lending</p> <p><input type="checkbox"/> Ordinary capital resources: \${amount}</p> <p><input type="checkbox"/> Asian Development Fund: \${am ount}</p> <p><input type="checkbox"/> Other: {specify} \${amount}</p> <p>If cofinancing is required indicate sources, and amount sought: If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):</p> <p>b. For nonlending</p> <p><input type="checkbox"/> No resources required, other than ADB staff</p> <p><input type="checkbox"/> ADB's administrative budget: \${amount}</p> <p><input type="checkbox"/> Grant TA funds</p> <p><input type="checkbox"/> Other: {specify}</p> <p>If cofinancing is required indicate sources, and amount sought: If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):</p>

ADB = Asian Development Bank, CSP = country strategy and program, SCSP = subregional cooperation strategy and program, TA = technical assistance.

Information Specific to NPRS/PRF Application

1. Funding Request: (Amount in \$; NPRS or PRF)				
2. Counterpart Project Name (processing year), if any:				
3. Proposed PRF/NPRS project processing schedule (month / year; fill in below):				
Peer Review Meeting	Donor-ADB Strategy Meeting (for funding endorsement)	TA Fact-Finding	Expected ADB TA Approval	Implementation
				From: Until:
4. Special Features Justified for NPRS/PRF Funding:				
<ul style="list-style-type: none"> ▪ Poverty Focus: {What dimensions of poverty will the project address and in what way? How will the needs of the poor addressed? How will inclusiveness and pro-poor governance be addressed?} ▪ Links with Strategic Poverty Reduction Agenda: {How will the project's outputs/outcomes be utilized in support of the strategic poverty agenda of ADB in the country? What are the linkages with CSP and pipelines?} ▪ Links with National Poverty Reduction Strategy: {How will the project contribute to the formulation, prioritization, implementation, monitoring and/or reformulation of the National Poverty Reduction Strategy of the country?} ▪ Why NPRS/PRF: {Why is the activity not funded under other ADB sources? Why can the project not be included in the counterpart loan component? How is the project different from a normal sector work / capacity building?} ▪ Innovativeness: {Why is the project innovative ?} ▪ Need for Pilot (in the case in which the project involves pilot): {Why is pilot needed? What would the pilot test?} ▪ Justification if RETA (in the case of cross-country or cross-regional project): ▪ Scaling-up and Systemic Impact: {How will the lessons learned/results of the project translated into the future ADB and DMC strategies/operations? What changes would you expect the project to bring about to the ADB and DMC strategies and projects?} ▪ Monitoring Mechanism: {How will the project evaluate its direct and indirect benefits on poverty reduction and/or the poor?} ▪ Participation and Ownership: {Will the project directly involve the poor or facilitate the enabling environment for the participation of the poor? Will it involve civil society? Will it involve local expertise? Resident Missions? How will the project forge DMC ownership? Any partnerships with other development partners? } 				
5. Key Assumptions, Risks, Safeguard Issues, and Mitigation Measures				
6. Appendix: Project Framework; Cost Estimates and Financing Plan				

Note: Make sure that the project will meet one or more of the following objectives:

- (i) assist in policy dialogue and strategy formulation on poverty reduction;
- (ii) develop new programs and projects with increased focus on poverty reduction;
- (iii) monitor and assess the poverty reduction impact at the project, meso-and micro levels;
- (iv) launch pilot poverty reduction activities to influence future loan design;
- (v) involve broader stakeholder consultations; and
- (vi) strengthen ADB's role in the region to promote poverty reduction.

PROJECT FRAMEWORK

Design Summary	Performance Indicators/Targets	Monitoring Mechanisms	Assumptions and Risks
Goal			
Purpose			
Outputs			
Activities			
Inputs			

COST ESTIMATES AND FINANCING PLAN
(\$'000)

Item	Foreign Exchange	Local Currency	Total Cost
A. Asian Development Bank Financing^a			
1. Consultants			
a. Remuneration and Per Diem			
i. International Consultants	0.0	0.0	0.0
ii. Domestic Consultants	0.0	0.0	0.0
b. International and Local Travel	0.0	0.0	0.0
c. Reports and Communications	0.0	0.0	0.0
2. Equipment	0.0	0.0	0.0
3. Pilot	0.0	0.0	0.0
4. Training, Seminars, and Conferences			
a. Facilitators	0.0	0.0	0.0
b. Training Program	0.0	0.0	0.0
5. Surveys	0.0	0.0	0.0
6. Miscellaneous Administration and Support Costs	0.0	0.0	0.0
7. Representative for Contract Negotiations	0.0	0.0	0.0
8. Contingencies	0.0	0.0	0.0
Subtotal (A)	0.0	0.0	0.0
B. Government Financing			
1. Office Accommodation and Transport	0.0	0.0	0.0
2. Remuneration and Per Diem of Counterpart Staff	0.0	0.0	0.0
3. Others	0.0	0.0	0.0
Subtotal (B)	0.0	0.0	0.0
Total	0.0	0.0	0.0

{Define symbols and abbreviations, e.g., — = not available.}

{Notes and footnotes, if any, are next.}

^a {Financed by the . . . }

Source: {Asian Development Bank estimates.}

To complete the table

- (i) Use 0 to indicate magnitude zero.
- (ii) Increase the number of heads (A., B.) if funding will be provided from additional sources.
- (iii) Use superscript a, b, c, etc. rather than numbers for footnotes; the footnote function cannot be used within the table.
- (iv) To insert a **Tab character** in the table, press **Ctrl+Tab**.
- (v) To change the width of any column, hold the **Shift** key, point the mouse cursor on the right border of the column, and drag the mouse to the left or right.
- (vi) To move a number to the next line within a cell, place the cursor before the number then hold the **Shift** key and press **Enter**.
- (vii) To insert a new row, select a row, and click on **Table—Insert Rows** (the new row will be inserted **above** the row selected); or place the cursor at the end of the row (it should appear outside the last column) and then press **Enter** (the new row will be inserted below).
- (viii) To delete a row(s), select the entire row(s), click on the Table menu, and click on Delete Rows.

**COOPERATION FUND IN SUPPORT OF THE FORMULATION AND
IMPLEMENTATION OF NATIONAL POVERTY REDUCTION STRATEGY
(NPRS – THE NETHERLANDS) AND
POVERTY REDUCTION COOPERATION FUND (PRF – DFID, UK)**

GUIDELINES FOR PEER REVIEW MEETING PARTICIPANTS

A. Background

Under the NPRS/PRF procedures, each proposal will be discussed in a peer review meeting, and comments during the meeting will be incorporated into the final proposal to be submitted to the donors.

B. Points to be Reviewed and Discussed

The peer review meeting decides whether the proposal is ready for submission to the donors, based on the following eligibility criteria (as per Board Papers of National Poverty Reduction Strategies Fund & Poverty Reduction Fund):

- i. **Strong poverty focus.** Not just indirect linkage but direct benefit to poverty reduction is needed.
- ii. **Influencing future Asian Development Bank operations.** The proposal should have a catalytic role in influencing future ADB-financed project designs, lending pipeline, and relevant policies and strategies, so that they would have an appropriate poverty and vulnerability focus. In the case of countries where future lending prospects are unclear, the proposal should be used as a leverage to invite other future investments in the country. Stand-alone assistance will not be supported by NPRS/PRF.
- iii. **Link with national poverty reduction strategies and other relevant policies.** The proposal should support the formulation, implementation, modification, monitoring and evaluation of national poverty reduction strategies, or relevant policies, and programs in the country.
- iv. **Alignment with Country Strategies and Programs.** The proposal should complement the core pipeline, and be in line with approaches (e.g. geographic focus, sectoral and thematic focus) in country strategies and programs and their updates or regional country strategies and programs and their updates.
- v. **Conceptual Additionality.** It should not comprise activities that would otherwise be financed by ADB.
- vi. **Country focus.** Interregional TAs and cross-border TAs need a strong country focus to allow monitoring impacts at a country level.
- vii. **Maximum use of local expertise and civil society participation.** Budget allocation for international consultants should be minimized.
- viii. **Avoid duplication and enhance partnership with other development partners.**
- ix. **Technical feasibility and soundness**

Thank you for your precious time and cooperation.

NPRS/PRF Team at RSPR
Sonomi Tanaka, NPRS/PRF Coordinator (Direct 5339)
Cecilia Rosmeli Santiago, Project Analyst (Local 7548)
Anna Liza Castro, Administrative Assistant (Local 4978)