



ADB

March 2007

Annual Progress Report of the
Cooperation Fund in Support of
Managing for Development Results

January-December 2006

Asian Development Bank

ABBREVIATIONS

ADB	–	Asian Development Bank
BTOR	–	back-to-office report
CPS	–	country partnership strategy
CTL	–	Controller's Department
CWRD	–	Central and West Asia Department
DMC	–	developing member country
EA	–	executing agency
EARD	–	East Asia Department
IA	–	implementing agency
MfDR	–	managing for development results
MfDR-CF	–	Cooperation fund in support of managing for development results
OCO	–	Office of Cofinancing Operations
PARD	–	Pacific Department
RD	–	Regional Department
RETA	–	regional technical assistance
SARD	–	South Asia Department
SERD	–	Southeast Asia Department
SPD	–	Strategy and Policy Department
SPRU	–	Results Management Unit
TA	–	technical assistance
TCR	–	technical assistance completion report
TPR	–	technical assistance performance report

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I. INTRODUCTION AND BACKGROUND

1. This second Progress Report (the Report) on the Cooperation Fund in Support of Managing for Development Results (MfDR-CF or “the Fund”) covers the period 1 January 2006 to 31 December 2006.¹ It complies with reporting requirements stipulated in the MfDR-CF Board paper² and the Administrative Agreements (AA)³ signed with the three donors participating in the Fund (Canada, the Netherlands, and Norway).

2. The Report was prepared by the Fund secretariat hosted in the Results Management Unit (SPRU) of the Strategy and Policy Department (SPD) with contributions and reviews from the Office of Cofinancing Operations (OCO), the MfDR-CF Review Committee (the Committee) and Regional Departments (RDs)⁴. Annual financial statements were provided by the Controller’s Department (CTL).

3. Section I provides a brief background on the Fund’s establishment. Section II summarizes Fund management modalities, highlighting changes introduced in 2006. Section III presents an overview of 2006 achievements, including progress in processing and implementation of Technical Assistance (TA) projects supported by the Fund. Section IV discusses issues for further consideration and prospects for 2007. The appendix section includes highlights of the 2006 consultations with donors, the newly-developed Fund results framework, TA processing and implementation milestones at the end of the reporting period, a list of MfDR-related TAs approved by ADB, a brief description of TAs supported by the Fund, and financial statements as of 31 December 2006.

4. The MfDR-CF was established in April 2004 as a multidonor umbrella facility with an initial contribution of Can \$1,000,000 from the Government of Canada through the Canadian International Development Authority (CIDA). The Government of the Netherlands, through the Minister for Development Cooperation, and the Government of Norway, through the Ministry of Foreign Affairs provided additional contributions of respectively EUR700,000 in December 2004 and US\$1,254,000 in June 2005. Total donor contributions amount to the equivalent of US\$2,974,494.38.

5. The purpose of the Fund is to help promote results-based management techniques within ADB and its developing member countries (DMCs) with a view to contributing to the overarching goal of poverty reduction in the Asia-Pacific region. The Board paper indicates that the Fund can cover the following generic technical assistance (TA) activities (i) strengthening DMC capacity to prepare and implement results-oriented national development plans; (ii) promote ADB’s contribution to improve management for development results through regional

¹ The report period was set to coincide with ADB’s fiscal year (i.e. calendar year).

² ADB. 2004. *Establishment of a Cooperation Fund in Support of Managing for Development Results*.

³ These are (i) ADB. 2004. *Administrative Agreement between the Government of Netherlands and the Asian Development in regard to a Grant for the Cooperation Fund in Support of Managing for Development Results*; (ii) ADB.2004. *Administrative Agreement between the Government of Canada and the Asian Development in regard to a Grant for the Cooperation Fund in Support of Managing for Development Results*; (iii) ADB. 2005. *Administrative Agreement between the Government of Norway and the Asian Development in regard to a Grant for the Cooperation Fund in Support of Managing for Development Results*.

⁴ Following the organizational realignment that took effect on 1 May 2006, ADB’s regional departments have the following configuration: (i) Central and West Asia Regional Department (CWRD); (ii) East Asia Regional Department (EARD), (iii) Pacific Regional Department (PARD); (iv) South Asia Regional Department (SARD); and (v) Southeast Asia Regional Department (SERD).

activities to build capacity on standards and norms of results management; and (iii) increase the results orientation of public sector management efforts and reform programs by applying results-based approaches to planning, budgeting and implementation.

6. The criteria defined for selecting TA proposals ensure that the Fund is specifically positioned to support the results-orientation of public sector management in DMCs, more specifically by introducing changes in national budgeting and planning systems.⁵ With limited resources available, this strategic position of the Fund ensures support to a critical mass of country initiatives that can generate useful knowledge on MfDR capacity development, and influence ADB's approach to MfDR support at the country level.

7. The Fund is of particular relevance to support donors and partner countries' efforts to meet some of the MfDR-related commitments made at the High level Forum on Aid Effectiveness held in Paris on 28 February-2 March 2005, i.e to strengthen monitoring and evaluation country systems and to establish "results-oriented reporting and assessment frameworks that monitor progress against key dimensions of national development strategies"⁶.

II. FUND MANAGEMENT

A. Responsibilities

8. SPRU is ADB's designated unit responsible for technical matters pertaining to the administration of the Fund. OCO acts as the official channel of communication between the participating funding agencies and ADB on financial matters, monitoring and reporting on the Fund's financial performance.

9. The Fund Review Committee composed of representatives of the five RDs and SPRU provides technical guidance on the administration of the Fund. Its role has so far focused on setting Fund management modalities (eligibility of proposals, evaluation criteria, and procedures), reviewing proposals submitted by RDs, and supporting quality-at-entry of TA reports. Four (4) Committee meetings were held during the reporting period, respectively on 16 February, 8 June, 16 October, and 23 November 2006.

10. One professional staff in SPRU, assisted by a national officer, assumes the technical secretariat of the Fund. The main tasks of the secretariat consist of (i) organizing Committee meetings, preparing minutes of meetings, and follow up actions, (ii) reviewing TA proposals and consolidating comments on technical documents, (iii) preparing the Fund Annual Progress Reports, (iv) liaising with donors in coordination with OCO, including for the organization of consultations, (iv) assisting RDs in the identification, preparation and implementation of TAs supported by the Fund, and (v) communicating and disseminating information on the Fund activities.

B. Eligibility, Evaluation, and Approval: Changes Introduced in 2006

11. No change was introduced in eligibility to Fund resources: all ADB DMCs are eligible to receive assistance under the Fund and eligible expenditures include operational costs relating to TA activities. The 6 criteria adopted by the Committee for assessing the quality of proposals

⁵ For further details on eligibility and evaluation criteria of proposals, refer to last year's report: ADB. 2006. *First Progress Report of the Cooperation Fund in Support of MfDR*.

⁶ See *Paris declaration on Aid Effectiveness*. <http://www.aidharmonization.org/secondary-pages/Paris2005>

submitted for support under the MfDR-CF remained in effect. These are (i) linkage with national development plans and programs; (ii) identification of development results; (iii) identification of institutions and capacities; (iv) innovativeness, participation and replication potential; (v) monitoring and evaluation mechanisms; and (vi) comparative advantage and implementation capacity of the ADB. The procedure for processing MfDR-CF supported TA initiatives follows the usual ADB business process applicable to TA. The Committee reviews TA proposals on the basis of the standard concept paper and a supplementary assessment sheet designed to assess the eligibility of the proposal and its responsiveness to the 6 evaluation criteria.⁷

10. Consultations with the three donors contributing to the Fund were held on 21 and 24 March 2006. In response to concerns expressed by some donors regarding the low level of commitments and disbursement of Fund resources, ADB provided clarifications on procedural matters and endorsed a number of procedural changes aimed at accelerating commitments of Fund resources (see Appendix 1, highlights of discussions with donors). These changes are (i) the possibility to endorse funding of TA proposals submitted by departments after the concept / identification stage (however, such proposals should be assessed according to the same evaluation criteria as other proposals), (ii) dropping the Committee preference for stand-alone TA (funding of joint, co-financed, or particular components of TAs will be considered), (iii) consideration of proposals in an amount exceeding \$500,000.

12. Another procedural change approved by the Committee consists of the requirement for the TA support unit to resubmit to the Committee a request for confirmation or cancellation of MfDR-CF funding endorsement if the TA proposal has not be approved within 6 months of its endorsement by the Committee. This measure aims at ensuring that Fund resources are not “frozen” for TAs that are substantially delayed or are considered of lower priority, and eventually be dropped.

13. These changes contributed to accelerate commitments of Fund resources in 2006 without compromising the well-defined scope and purpose of the Fund. Three (3) TA proposals endorsed for MfDR-CF support in 2006 are financed from two or more funding sources⁸; one of these proposals supports a major change in scope of a TA project under implementation.

C. Reporting and Monitoring Arrangements

14. ADB submits an annual progress report on the Fund and its activities to each donor government participating in the Fund. Fund activities are monitored and evaluated in the same manner as for ADB-financed TA operations in accordance with established ADB procedures.

15. Sources of reporting information consists of missions' back-to-office reports, data of the Project Processing Information System, TA progress reports (TPRs), consultant reports, and TA completion reports (TCRs). Fund financial statements are issued by CTL semi-annually. TA results reporting or specific TA impact assessment is expected to be completed by direct consultations at the country level through missions fielded by the Fund coordinators (SPRU and Review Committee members). Given the very early stage of the Fund-supported TAs currently under implementation, no such mission was fielded in 2006.

⁷ For further details on procedures, refer to the first progress report of the Fund.

⁸ These are TA 4897-AFG: Support to the Afghan National Development Strategy, TA 4860-TAJ: Strengthening Results Management in Support of Poverty Reduction, and TA 6306-REG: Mainstreaming MfDR in Support of Poverty Reduction in South Asia.

16. Reporting tables presented in Appendix 2 summarizes the status of TA processing and implementation. These tables are updated and circulated to the Review Committee prior to meetings.

17. Following the March 2006 consultations, an MfDR-CF results framework (2005-2009) was designed for the purpose of monitoring the overall impact of Fund resources on ADB and its institutional results agenda. The framework, with mention of the status of the identified targets at the end of the year, is presented in Appendix 3.

D. Access to Information

18. Most Fund documents including templates, TA reports, annual reports, are available on ADB's MfDR intranet (<http://mfdr.asiandevbank.org/modules/tinycontent/index.php?id=13>). The ADB internet site features MfDR-related TA reports including those funded by the Fund <http://www.adb.org/MfDR/tas-table.asp> and the Fund reports are also accessible via the MfDR resource center <http://www.adb.org/MfDR/resource-center.asp>. Board documents, administrative agreements, and templates for the MfDR-CF as well as other trust funds administered by ADB are accessible through OCO's trust funds database at <http://cofinancing.asiandevbank.org/> or <http://trust.asiandevbank.org/> in the ADB portal. Information on the MfDR intranet and internet site is regularly updated by SPRU.

19. Awareness and visibility of the MfDR-CF has been developed internally through a variety of means including notices posted in *ADB today*, short articles in the "results matter" newsletter published by SPRU, presentations to staff at departmental retreats, circulation of minutes of the Review Committee meetings, and networking of Committee members.

III. OVERVIEW OF ACHIEVEMENTS IN 2006

A. Outcomes of annual consultations

20. As mentioned, following consultations held with the three donors in March 2006, a number of measures were taken, affecting criteria and procedures, reporting and communication. Details are provided in Appendix 1.

B. Portfolio Profile

21. The list of MfDR-related TAs approved by ADB, all funding sources combined, is presented in Appendix 4. It shows the breadth of ADB support to the advancement of DMCs' results agendas. Overall, as of end December 2006 ADB supported 16 TAs, of which 11 at the country level and 5 regional TAs for a total approved amount of \$11,277,000. Eight (8) of these TAs amounting to \$2,700,000 are financed entirely (5 TAs) or partly (3 TAs) by the MfDR-CF. In other words, the Fund accounts for 50% of the number of MfDR-related TAs and less than 25% of total funding.

22. The Fund portfolio consists of 8 approved TAs or TA components totaling \$2,700,000, equivalent to an average funding of \$337,500 per TA. Another TA in an amount of \$300,000 received endorsement by the Committee but was not processed in 2006. As of 31 December

2006, the totality of the Fund was allocated and 90% of the Fund resources were committed. The quantitative targets of Fund performance set for end 2006 were met.⁹

23. In terms of geographic distribution – as per ADB’s configuration of regional departments - 3 TAs are located in Central and West Asia¹⁰ (Afghanistan, Kyrgyz Republic, Tajikistan), 2 TAs are in South Asia (Nepal, Sri Lanka), 2 TAs are in South East Asia (Lao PDR, Viet Nam) and 1 TA is in the Pacific (Republic of the Marshall Islands). All TA projects financed entirely or partly by the Fund support MfDR activities at the country level.

24. In terms of sector or thematic focus, all TAs have a public sector governance emphasis at the national or local level, and aim at strengthening the results-orientation of national agencies responsible for managing economic and social development. All MfDR-CF supported TAs are classified under the “Law, economic management and public policy” sector and under the “governance” or “capacity development” themes according to the ADB classification¹¹.

25. Fund supported TAs typically have features that are expected to promote knowledge in the area of MfDR capacity development. They share (i) a pilot and innovative nature with relatively small scale, (ii) a demonstration effect and possible expansion or replication to other sectors or areas within the country, (iii) execution and implementation by agencies that can be considered as “champions” of the country’s results agenda. ADB’s comparative advantage in the MfDR area and synergies between ADB’s country strategy and the MfDR TA are other important factors.

C. Processing Progress: TA Endorsements and Approvals

26. Two (2) TA proposals endorsed by the Committee in 2005 were approved in 2006.

- (i) 4765-NEP: Operationalization of Management for Development Results : \$400,000
- (ii) 4801-KGZ: Development of Monitoring and Evaluation System at the Local Level: \$300,000

27. One (1) TA proposal endorsed by the Committee in 2005 was dropped in 2006: Philippines, Operationalization of the National Development Plan for Rural Electrification, \$500,000.

28. During the reporting period, the Committee endorsed 5 new TA proposals for financing under the MfDR-CF, including 1 proposal to support a major change in scope of an already approved RETA. Four (4) of these 5 proposals were fully processed and approved in 2006:

- (i) 6306-REG: Mainstreaming Managing for Development Results in Support of Poverty Reduction in South Asia : \$500,000 from the Fund for a major change in scope to cover Sri Lanka (total ADB financing amounts to \$2,300,000);

⁹ As specified in the first Fund progress report, these targets were: (i) allocation of 80% of the contribution from Norway (resulting in the allocation of 91% of the total Fund), (ii) commitment of 65% of the total Fund resources, and (iii) implementation stage reached for 5 TA projects.

¹⁰ No Fund supported TA has been approved in EARD (PRC and Mongolia). The TAs processed in TAJ and KGZ were under the responsibility of the former East and Central Asia Regional Department, split into EARD and CWRD after the realignment. See footnote 4.

¹¹ ADB standard classification includes 10 sectors: agriculture and natural resources; education; energy; finance; health, nutrition and social protection; industry and trade; law, economic management and public policy; transport and communications; water supply, sanitation and waste management; multisector; and 8 themes: sustainable economic growth; inclusive social development; gender and development; environment sustainability; governance; regional cooperation; private sector development; capacity development.

- (ii) 4860-TAJ: Strengthening Results Management in Support of Poverty Reduction: \$400,000 from the Fund to cover a TA component (total ADB financing amounts to \$900,000);
- (iii) 4897-AFG: Support to the Afghanistan National Development Strategy: \$400,000 from the Fund to cover a TA component (total ADB financing amounts to \$2,700,000);
- (iv) 4883-RMI: Building Capacity for independent CSP and CPA results Management – A Pacific Pilot: \$150,000.

29. Another TA project endorsed by the Committee in June 2006 was not processed during the year and is no longer considered a priority by the Government: Uzbekistan: CSP monitoring for Results, \$300,000. This TA is thus likely to be withdrawn in early 2007.

30. In terms of allocation and commitment ratios, as of 31 December 2006, 100% of the Fund was allocated to 9 TAs and 90% of the Fund was committed for 8 TAs¹².

31. The average processing time of the 8 approved TAs of the Fund (period lapsed between concept endorsement by the Committee and TA approval) was 6.9 months. This relatively short period of time can be explained by the simplified procedure applicable to small scale TAs and changes in scope.

D. Implementation Progress: TA Contract Awards and Disbursements

32. Of the 8 TAs supported by the Fund and already approved, 4 were effective (i.e. TA letter signed) as of end December 2006: 4612-VIE, 4765-NEP 4801-KGZ, 4860-TAJ. TA 4897-AFG was declared effective on 9 January 2007

33. For the 4 TAs that were declared effective, the average effectiveness period (time lapsed between TA approval and TA letter signing by the Government) was 1.9 months. However, unusual delays are experienced for TA 4624-LAO, and discussions with the Government on the reformulation of the project are ongoing.

34. Of the 4 TAs that were declared effective, 3 initiated project start-up activities (consultant recruitment, workshop, training, etc.) in 2006: 4612-VIE, 4765-NEP, 4860-TAJ. As of 31 January 2007, total contract awards and disbursements under these 3 TAs amounted respectively to roughly \$525,000 and \$90,000.

E. Completion Progress: TA Results Reporting

35. No TA financed by the MfDR-CF was completed or nearing completion in 2006. One (1) TA is scheduled for completion in 2007: 4612-VIE. Other TA projects are scheduled to be completed in 2008 and 2009.

36. While some country activities did take place in 2006, essentially for 4612-VIE and 4765-NEP, no results or preliminary impact can be to be reported at this stage. A description of the expected outcomes of the Fund-supported TA projects is provided in Appendix 5. Full TA papers can be accessed on ADB website.

¹² For the purpose of the technical administration of the Fund, "allocation" refers to the endorsement of TA proposals by the Fund Review Committee and "commitment" refers to ADB's approval of the TA approval.

F. Financial Status

37. As of 31 December, 2006, the value of the Fund including net contributions received, currency exchange gains and income from investments and interests was \$3.19 million. An amount of \$0.078 million was utilized for project expenditures, administration cost, and bank charges. An amount of \$2.33 million was committed for outstanding commitments¹³ and reserve for administration costs. An amount of \$0.42 million was reserved for anticipated outstanding commitment and administration costs¹⁴. The uncommitted balance available for new commitments was \$0.35 million. The financial statements as of 31 December 2006 are presented in Appendix 6.

IV. PROSPECTS AND DIRECTIONS FOR 2007

A. Fund Size and Absorption Capacity

38. The Fund with its limited size - roughly \$3 million – has allowed support for a portfolio of 9 TA projects. This size is considered adequate in relation to the pilot-testing and knowledge dissemination role of the Fund. It is also commensurate with the level of staff resources devoted by ADB's results management unit to the technical coordination and administration of the Fund. It is significant that the Fund, with its limited size, has succeeded in bringing together activities by various donors in support of ADB's effort relating to capacity development in DMCs on MfDR. In this way, the Fund can help to create more uniform approaches by donors to MfDR capacity development in DMCs.

39. In the wave of global commitments made by development partners (High Level Forum on aid effectiveness, Paris, February-March 2005) and recent MfDR events (3rd international MfDR roundtable, Hanoi, February 2007), a growing number of countries are integrating MfDR into their national development agendas. Aid agencies are increasingly assisting DMCs to develop their country systems and capacities for strategic planning, budgeting, monitoring and evaluation. In some areas, ADB is already implementing best practices advocated by the global community in helping DMCs to actively shape the global MfDR agenda. This is likely to stimulate country demand for MfDR support from ADB.

40. In a context of growing DMC demand for MfDR TA, some initial discussions on possible increases in the MfDR-CF through additional donor contributions could be envisaged in 2007. Eventual contributions should remain subject to (i) satisfactory assessments of Fund performance and TA operations in 2007, (ii) prioritization of MfDR capacity development in ADB's country programs, and (iii) adequate allocation of staff resources and budget in ADB for Fund coordination activities. "Re-funding" of the MfDR-CF can also be considered in the light of the forthcoming closing of other larger trust funds (Poverty Reduction Fund, Cooperation Fund in Support of the Formulation and Implementation of National Poverty Reduction Strategies) that were used as vehicle for MfDR capacity support. Eventual additional contributions to the Fund would be consistent with a move from a piloting and learning mandate of the Fund to a scaling-up and mainstreaming phase within ADB. It would involve a review of staff resources, organizational arrangements and responsibilities required for the good administration of the Fund.

¹³ Corresponding to the 7 TAs approved AND declared effective at the end of the year.

¹⁴ Corresponding to TA 4897-AFG, approved but not effective at the end of the year. This TA became effective on 9 January 2007.

B. Knowledge Development and Linkages with the MfDR Community of Practice

41. Knowledge is expected to be gained through assessments of the impact of TA projects on national MfDR capacities. On the basis of field work and consultations with executing and implementing agencies, country cases could be developed and disseminated as knowledge products of the Fund. For this purpose and subject to sufficient implementation progress in at least 2 TAs, a special mission could be fielded by the Fund coordinators in 2007, preferably in conjunction with the usual TA reviews conducted by task managers.

42. In 2006, ADB supported the launch of a Community of Practice (CoP) on MfDR in Asia and the Pacific. The CoP operates primarily through a virtual learning network of practitioners and features a discussion forum, a CoP library, a member directory, an e-newsletter, etc¹⁵. Its main purpose is to promote learning and knowledge exchange among public managers, organizations, executing agencies, academe and practitioners on how to manage better for development results. As the CoP and the Fund share a similar MfDR knowledge development mission, linkages between the two initiatives could be established in 2007. This could take various forms including (i) dissemination of Fund supported TA products through the CoP network, (ii) identification of TA experts and practitioners as CoP members, (iii) focused CoP discussion forum on particular MfDR TA experiences; (iv) use of the CoP web-based facilities by TA project staff.¹⁶

C. Assistance to Regional Departments

43. As the Fund has been almost entirely committed in 2006, the role of the Review Committee and the Fund Secretariat will shift in 2007 from quality-at-entry support during TA processing to (i) implementation advice, (ii) facilitation, and (iii) knowledge capture and dissemination support during TA implementation. The secretariat will act as focal point in this respect assisting RDs in the identification of case studies on MfDR capacity development, liaison with the MfDR CoP, special review missions, website updates, and media releases.

44. There is indication of slow start ups of TA projects approved in 2006. This was evidenced in some cases in delayed effectiveness, but mostly in the low levels of contract awards and disbursements for TA projects under implementation. While implementation responsibilities rest exclusively with regional departments, the Committee will need to monitor more closely TA implementation progress and liaise more frequently with mission leaders to ensure that sufficient resources and priority are given to MfDR-CF supported projects. The main purpose of the liaison between RD representatives in the Committee and mission leaders will be to ensure that TA activities that directly serve the learning mandate of the Fund are effectively conducted and can generate lessons for broader dissemination.

45. In 2007, the Fund secretariat in SPRU will continue to comply with the Fund reporting requirements: preparing documentation for the Review Committee meetings, producing progress reports and participating in consultations with donors, updating Fund-related materials on the MfDR website.

¹⁵ See the CoP site: <https://cop-mfdr.adb.org/>

¹⁶ Some models, tools, and knowledge resources developed by ADB TAs on MfDR have already been posted on the CoP website; however, this practice remains optional at this point.

Highlight of 2006 Consultations with Donors

COOPERATION FUND IN SUPPORT OF MANAGING FOR DEVELOPMENT RESULTS (MfDR-CF)

First Consultation Meeting *ADB – Canada – The Netherlands - Norway*

ADB Headquarters,
21 and 24 March 2006

Highlights of Discussion and Recommendations

Reporting and Communications between ADB and Donors.

1. Donors appreciated ADB's timely submission of detailed information on Fund operations and noted the "very structured" work being undertaken by the Secretariat and the MfDR-CF Review Committee (the Committee), as reflected in the first annual progress report. Such exchanges should continue in the future with Fund reporting focused on results at the country level and lessons learnt.
2. In this regard, the secretariat estimated that the first substantive report - and possibly a preliminary evaluation of the Fund's operations in view of eventual additional contributions - could be expected in 2008 (at least 3 MfDR-CF funded technical assistance projects will be either completed or largely implemented by mid-2007). In-depth results reporting and impact assessment at the country level will probably require specific expertise and additional support from SPRU staff and/or consultant beyond traditional ADB reporting systems and review missions work.
3. Information on Fund operations, accessible through ADB websites (MfDR and OCO sites), should be regularly updated by the Secretariat. This includes annual progress reports, quarterly reporting tables (individual TA progress summary), financial statements, Fund templates, MfDR-funded TA papers, and staff reports on TA implementation progress.
4. The Office of Co-financing Operations (OCO) informed the meeting participants that ADB is in the process of preparing a new co-financing strategy. As part of this new strategy, it is foreseen that the co-financing modalities will be increasingly sought to support components of investment projects, while TA co-financing should be stabilized. ADB is also looking at more effective and efficient ways of mobilizing external funds, taking into account the size of contributions and the volume of administrative work involved in managing grants. For new trust funds, it is envisaged to set minimum contributions (tentatively \$20 million).

Results Framework for the Fund.

5. One donor representative suggested that ADB design a "results framework" for the Fund itself. The ADB Secretariat agreed that such a framework could indeed be a valuable tool to assist the Committee in managing Fund operations and would contribute to clarify expectations on the Fund's results in terms of knowledge generation and the Fund's possible impact on ADB operations, beyond outcomes of TA projects. A

draft framework will be prepared by the Secretariat for consideration of the Fund Review Committee for its next meeting scheduled early June 2006.

Fund's Position in the Overall ADB Results Agenda

6. The strategic "position" of the Fund – vis a vis other trust funds and within the overall results agenda of the ADB – as defined by the Committee and reflected in TA eligibility and selection criteria (see para 8-12 of progress report) was endorsed by donors. The Fund's primary mandate to support public sector management initiatives in DMCs (and to extract and disseminate lessons from such initiatives), complements parallel efforts to strengthen DMC's capacities (such as the MfDR Community of Practice, Statistical Capacity Development initiatives, etc.) as part of the first pillar of ADB's results agenda. The "MfDR in ADB" paper currently being finalized (a draft is to be discussed at a Board informal meeting on 29 March 2006) may be useful to better apprehend the Fund's role and position in the overall results agenda of ADB.

7. In response to questions of donor representatives related to the potential role of the Fund in advancing the internal results agenda of ADB, the Secretariat highlighted that while the Fund's mandate (similar to other trust Funds) is to finance TA projects for the benefit of DMCs (rather than ADB's in-house initiatives), it could have a number of positive effects on the corporate results agenda, especially by integrating TAs on results into CSP processes, strengthening ADB expertise and knowledge in MfDR capacity development, raising staff awareness and capacities (in particular in Resident Missions), increasing the internal visibility of MfDR, etc.

Initial Fund Performance and Fund Management Matters

8. Donor representatives raised questions on the timing for establishing the Fund: was the Fund established too early within ADB? Is there sufficient demand from DMCs and capacity within ADB? The secretariat estimated that the timing for establishing the Fund was adequate: the introduction of the results agenda within ADB preceded the creation of the Fund and a number of MfDR-related TA proposals were already being developed when the Fund was established (8 MfDR-related TA were approved in 2005, 2 of which with MfDR-CF funding).

9. While figures (number of TAs and amounts involved) are rather small to be fully interpreted, the initial performance of the fund in terms of allocation and commitment compares very favorably with other small trust funds managed by ADB: as of 28 February 2006, the 2004 contributions (from Canada and Netherlands) were fully allocated and over 50% committed; 11 TA proposals were submitted to the Committee. These indicators also suggest a timely establishment of the Fund (pointing to the fact that there is both demand from selected DMCs demand and ADB's capacity to respond, especially in the context of CSP formulation). OCO highlighted that Trust Funds administered by ADB usually exhibit a slow start in terms of disbursement, as after the TA is approved, initial implementation steps (e.g, preparing TA Letter with the governments, process of hiring consultants, procurement of equipment, etc.) have to follow ADB guidelines and procedures.

10. A general concern was expressed by donors regarding the long period of time required for processing TAs. The secretariat clarified that it was a preference of the Committee to consider proposals as soon as the identification stage and on the basis of concept papers, thereby allowing Committee inputs throughout project processing. The three TAs already approved with Fund financing were processed according to standard ADB procedures and within usual timeframes.

11. There are instances however, when TAs endorsed by the Committee can be dropped (by decision of Management) or processing can be delayed for a variety of reasons. In such instances, as funding has been reserved for those proposals, MfDR-CF funding may be restricted for eventual new proposals.

12. It was also noted that the Committee's decision to prioritize small stand alone TAs (not exceeding \$500,000 and with exclusive ADB financing) – then justified by the need to have a critical mass of TAs – seem

at odd with recent management instructions to reduce total TA numbers and promote larger TAs undertaken in partnerships with other donors.

13. The Secretariat explained that the Committee is addressing the above three issues (explained in paras 10, 11 and 12 respectively) in several ways: (i) by opening funding to proposals at a more advanced stage (possibly after TA fact-finding), (ii) by devising specific measures to ensure faster TA processing (TAs proposals now have to be resubmitted to the Committee for re-endorsement or cancellation if not processed 6 months), (iii) by modifying the TA size criterion (allowing funding of larger and joint TAs).

Follow-up of Consultations

14. Recommendations made in para 3, 5, and 13 are immediate follow-ups to the consultations. It was agreed to hold consultations on the Fund administration on an annual basis, shortly after submission by ADB of the annual progress report. The next meeting could be scheduled in April / May 2007 to coincide with other trust Fund consultations held in Manila, or alternatively by videoconference. In the meantime, the ADB secretariat will maintain updated Fund information on the website and respond to eventual requests from donor representatives.

MfDR-CF TA Processing and Implementation Milestones as of 31 January 2007

Country TA Number and Title Amount (USD)	Classification	Scope Executing Agency	Processing milestones	Implementation milestones	Implementation progress
TAs endorsed and approved in 2005					
<p>Viet Nam</p> <p>TA 4612-VIE Results-based Monitoring of Poverty Reduction and Growth</p> <p>\$400,000 <i>Contact persons: Vo Truc Dien / Nguyen Hong Anh</i></p>	<ul style="list-style-type: none"> • Sector: <i>Multisector,</i> • Sub-sector: <i>Economic Management/ Public Policy</i> • Theme <i>Sustainable Economic Growth, and Capacity Development</i> • Sub-theme: <i>Developing Rural Areas, and Institutional Development</i> • GI/TI: <i>GI</i> 	<p>Support to the Comprehensive Poverty Reduction and Growth Strategy (CPRGS) and the 5 year Socio- Economic Development Plan (SEDP): develop results frameworks and indicators for tracking progress.</p> <p>EA: Ministry of Planning and Investments (main responsibility for integrating CPGRS into SEDP and annual budgets)</p>	<ul style="list-style-type: none"> • Endorsed by committee: 9 Dec. 04 • Draft TA paper reviewed by Committee: 14 Apr. 05 • SRC: waived • TA approval: 14 July 2005 • TA Letter signing: 20 Oct 2005 	<ul style="list-style-type: none"> • Consultants field work: 12 April 2006 • Review missions: • Draft final report reviewed by Committee: • Final TA report submitted: • Actual physical completion date <ul style="list-style-type: none"> ○ Original: 31 Dec 2006 ○ Revised: 31 Dec 2007 • Expected Project completion <ul style="list-style-type: none"> ○ Original: 31 Dec 2006 ○ Revised: 31 Dec 2007 • Draft TCR reviewed by Committee: • TCR submitted: • Actual TA account closing: • 	<ul style="list-style-type: none"> • Total commitment: as of 31 Jan: <ul style="list-style-type: none"> • \$ 141,461 • Total disbursement <ul style="list-style-type: none"> • \$ 50,843 • Changes in scope and/or , implementation arrangements and/or cost overrun • Main activities: <ul style="list-style-type: none"> ○ Implementation ongoing ○ Consultants recruited ○ Result frameworks for 2006-2010 SEDP developed with indicators ○ Workshops on result framework and result- based monitoring
<p>Laos</p> <p>TA 4624-LAO Capacity Development for Monitoring Development Results of the National Growth and Poverty Eradication Strategy</p> <p>\$150,000 <i>Contact persons: Rattanatay Luanglatbandith / Surapha Vivarong</i></p>	<ul style="list-style-type: none"> • Sector: <i>Law, Economic Management and Public Policy</i> • Sub-sector: <i>National Government Administration</i> • Theme: <i>Governance</i> • Sub-theme: <i>Public Governance</i> • GI/TI: <i>N/A</i> 	<p>Support to the National Growth and Poverty Eradication Strategy (NGPES) and 5-year socio Economic Development Plan (2006-10): NGPES monitoring and reporting system: development of "results indicators" at the sector/ subsector and thematic levels, in relation with the preparation ADB's CSP</p> <p>EA: Committee for Planning and Investments</p>	<ul style="list-style-type: none"> • Endorsed by committee: 14 Apr. 05 • Draft TA paper reviewed by Committee: 14 April 2005 • SRC: none • TA approval: 26 July 2005 • TA Letter signing: 	<ul style="list-style-type: none"> • Consultants field work: • Review missions: • Draft final report reviewed by Committee: • Final TA report submitted: • Actual physical completion date: <ul style="list-style-type: none"> ○ Original: 30 Jan 2006 ○ Revised: 30 Jun 2006 • Expected Project completion: <ul style="list-style-type: none"> ○ Original: 31 Jan 2006 ○ Revised: 30 Jun 2006 • Draft TCR reviewed by Committee: • TCR submitted: • Actual TA account closing: 	<ul style="list-style-type: none"> • Total commitment: 0 • Total disbursement: 0 • Changes in scope and/or , implementation arrangements and/or cost overrun • Main activities: <ul style="list-style-type: none"> ○

Country TA Number and Title Amount (USD)	Classification	Scope Executing Agency	Processing milestones	Implementation milestones	Implementation progress
TAs endorsed in 2005 and approved in 2006					
<p>Nepal</p> <p>TA 4765-NEP Operationalization of Managing for Development Results (Previously Operationalization of Results Based CSP in Nepal)</p> <p>\$400,000</p> <p>Contact persons: Surya P. Shrestha / Shreejana Rajbhandari</p>	<ul style="list-style-type: none"> • Sector/s <i>Multi-sector: Law, Economic Management Finance</i> • Sub-sector <i>N/A</i> • Theme <i>Capacity Development, Sustainable Economic Growth, Governance</i> • Sub-theme <i>Policy, Institutional, legal, regulatory reforms, fostering physical infrastructure development, public governance</i> • GI/TI: <i>GI</i> 	<p>Support the formulation of the 10th Plan of Government, with a focus on components related to ADB's area of assistance (under the 1st RB-CSP): improvements of statistical systems, capacities, selection of performance indicators.</p> <p>EA: National Planning Commission (NPC); TA objective of "institutionalization" of RBM in NPC</p>	<ul style="list-style-type: none"> • Endorsed by committee: 14 Apr. 05 • Draft TA paper reviewed by Committee: • SRC: waived • TA approval: 13Feb 06 • TA Letter signing: 19 Apr 06 	<ul style="list-style-type: none"> • Consultants field work: • Review missions: • Draft final report reviewed by Committee: • Final TA report submitted: • Actual physical completion date: <ul style="list-style-type: none"> ◦ Original: 28 Feb 2008 ◦ Revised: 31 Oct 2008 • Expected Project completion: <ul style="list-style-type: none"> ◦ Original: 28 Feb 2008 ◦ Resvised: 31 Oct 2008 • Draft TCR reviewed by Committee: • TCR submitted: • Actual TA account closing: 	<ul style="list-style-type: none"> • Total commitment: \$ 360,000 (contract with consulting firm) • Total disbursement: \$38,250 • Changes in scope and/or , implementation arrangements and/or cost overrun • Main activities: <ul style="list-style-type: none"> ◦ Inception workshop scheduled for last week of Feb 2007
<p>Kyrgyz</p> <p>TA 4801-KGZ Development of a Monitoring and Evaluation System at Oblast Level (previously Development Monitoring and Evaluation Systems at the Local Level)</p> <p>\$300,000</p> <p>Contact persons: Gulkayr J. Tentieva / Ainura D. Bekbolotova</p>	<ul style="list-style-type: none"> • Sector/ sub-sector: <i>Law, economic management, and public policy / Sub- national government administration</i> • Theme/sub-theme: <i>Governance, capacity development, inclusive social development/ Civil society participation, client relations, network, partnership dev't</i> • GI/TI: <i>GI</i> 	<p>Monitoring of development assistance benefits at the local level: pilot results monitoring system established in two provinces.</p> <p>EA: Administration of the President's Strategic Development Unit IA: National Statistical Agency</p>	<ul style="list-style-type: none"> • Endorsed by committee: 9 Dec. 04; initially for \$200,000 increased to \$300,000 in May 2006 • Draft TA paper reviewed by Committee: April 2006 • SRC: waived • TA approval: 16 Jun 2006 • TA Letter signing: 18 Jul 2006 	<ul style="list-style-type: none"> • Consultants field work: • Review missions: <ul style="list-style-type: none"> ◦ 13 – 14 Dec 2006 • Draft final report reviewed by Committee: • Final TA report submitted: • Actual physical completion date: <ul style="list-style-type: none"> ◦ Original: 31 May 2008 • Expected Project completion: <ul style="list-style-type: none"> ◦ Original: 31 May 2008 • Draft TCR reviewed by Committee: • TCR submitted: • Actual TA account closing: 	<ul style="list-style-type: none"> • Total commitment: 0 • Total disbursement: 0 • Changes in scope and/or , implementation arrangements and/or cost overrun • Main activities: <ul style="list-style-type: none"> ◦ Consultant recruitment initiated

Country TA Number and Title Amount (USD)	Classification	Scope Executing Agency	Processing milestones	Implementation milestones	Implementation progress
TAs endorsed and approved in 2006					
<p>Afghanistan</p> <p>TA 4897-AFG: Support to the Afghanistan Development Strategy (MfDR Component: Pilot Participatory Poverty Assessment)</p> <p>Total TA: \$2,700,000 MfDR component \$400,000</p> <p>Contact persons: Michael Prokop / Ahmad Wali Basahrnal Karimi</p>	<ul style="list-style-type: none"> • Sector. sub-sector <i>Law, Economic Management and Public Policy / Sub- sector</i> • Theme / sub-theme <i>Economic Management</i> • Theme / sub-theme <i>Governance, capacity development/ Anticorruption, institutional development, client relations network, and partnership development</i> • GI/TI: <i>GI</i> 	<p>Support a “cluster TA” which comprises three components to assist in the overall development of the Afghanistan National Development Strategy (ANDS); the MfDR-CF financed component will enhance the capacity of the Afghan civil society organizations to plan and conduct pilot participatory poverty assessment. This work will improve poverty targeting and monitoring benchmarks.</p> <p>EA: Ministry of Finance IA: Agency Coordinating Body For Afghan Relief (ACBAR)</p>	<ul style="list-style-type: none"> • Endorsed by committee: 16 Feb 06 • Draft TA paper reviewed by Committee: • SRC: not available • TA approval: 14 Dec 2006 • TA Letter signing: 9 Jan 2007 	<ul style="list-style-type: none"> • Consultants field work: • Review missions: • Draft final report reviewed by Committee: • Final TA report submitted: • Actual physical completion date: <ul style="list-style-type: none"> ○ Original: 31 Dec 2008 • Expected Project completion: <ul style="list-style-type: none"> ○ Original: 31 Dec 2008 • Draft TCR reviewed by Committee: • TCR submitted: • Actual TA account closing: 	<ul style="list-style-type: none"> • Total commitment: \$70,800 • Total disbursement: 0 • Changes in scope and/or , implementation arrangements and/or cost overrun • Main activities: <ul style="list-style-type: none"> ○ Consultant recruitment initiated
<p>Marshall Islands</p> <p>TA 4883-RMI: SSTA for Building Capacity for Independent Country Partnership Strategy (CPS) and Country Performance Assessments (CPA) Results Management</p> <p>\$150,000</p> <p>Contact persons: Stephen Pollard / Neille-Ann Villanueva</p>	<ul style="list-style-type: none"> • Sector, sub-sector <i>Law, Economic Management and Public Policy / Sub- sector</i> • Theme / sub-theme <i>Economic Management</i> • Theme / sub-theme <i>Public Governance, Capacity Development and Private Sector Development / Good Governance</i> • GI/TI: <i>GI</i> 	<p>Enhance RMI country statistics generation and policy analytical capacities (through support of the Public Policy Institute at the College of Marshall Islands) and strengthen country demand for an independent monitoring of, and management for, development results.</p> <p>EA: Economic Policy, Planning and Statistics Office of the Chief Secretary's Office</p>	<ul style="list-style-type: none"> • Endorsed by committee: 16 Oct 06 • Draft TA paper reviewed by Committee: • SRC: N/R • TA approval: 5 Dec 2006 • TA Letter signing 	<ul style="list-style-type: none"> • Consultants field work: • Review missions: • Draft final report reviewed by Committee: • Final TA report submitted: • Actual physical completion date: 31 Dec 2009 • Expected Project completion: 31 Dec 2009 • Draft TCR reviewed by Committee: • TCR submitted: • Actual TA account closing: 	<ul style="list-style-type: none"> • Total commitment: 0 • Total disbursement: 0 • Changes in scope and/or , implementation arrangements and/or cost overrun • Main activities: <ul style="list-style-type: none"> ○ TA Letter yet to be signed

Country TA Number and Title Amount (USD)	Classification	Scope Executing Agency	Processing milestones	Implementation milestones	Implementation progress
<p>Regional RETA 6306-REG: Mainstreaming Managing for Development Results in Support of Poverty Reduction in South Asia (SRI component)</p> <p>Total TA: \$2,300,000 MfDR component: \$500,000 <i>Contact persons: Ziba Farhadian- Lorie/ Alely Bernardo</i></p>	<ul style="list-style-type: none"> • Sector. sub-sector • Theme / sub-theme • GI/TI: 	<p>Enhance MfDR capacities and country systems (planning, strategy development, resource allocation, accountability of development resources) in 4 DMCs: Bangladesh, Nepal, Pakistan, and Sri Lanka (financed through the MfDR-CF). Key outputs are MfDR readiness assessments, MfDR strategy and implementation plans, and ADB-financed pilot initiatives.</p>	<ul style="list-style-type: none"> • Endorsed by committee: 23 Nov 06 • Draft TA paper reviewed by Committee: NA • SRC: NA • TA approval: change in scope approved on 15 Dec 2006 • TA Letter signing 	<ul style="list-style-type: none"> • Consultants field work: • Review missions: • Draft final report reviewed by Committee: • Final TA report submitted: • Actual physical completion date: <ul style="list-style-type: none"> ○ Original: 31 Dec 2007 ○ Revised: 31 Dec 2008 • Expected Project completion: <ul style="list-style-type: none"> ○ Original: 31 Dec 2007 ○ Revised: 31 Dec 2008 • Draft TCR reviewed by Committee: • TCR submitted: • Actual TA account closing: 	<ul style="list-style-type: none"> • Total commitment: • Total disbursement: • Changes in scope and/or , implementation arrangements and/or cost overrun • Main activities:
<p>Tajikistan TA 4860-TAJ: Strengthening Results Management in Support of Poverty Reduction in Tajikistan (previously Mainstreaming MfDR in Support of Poverty Reduction)</p> <p>Total TA: \$900,000 MfDR component: \$400,000 <i>Contact persons: Zafardjon Khotamov</i></p>	<ul style="list-style-type: none"> • Sector. sub-sector <i>Multisector / Economic Management, public policy</i> • Theme / sub-theme <i>Sustainable Economic Growth, Governance, Capacity Development / Institutional Development</i> • GI/TI: <i>GI</i> 	<p>Assist the Government in developing and implementing results framework of the 10-year National Development Strategy and medium-term Poverty Reduction Strategy.</p> <p>EA: Ministry of Economy and Trade under the overall coordination of the President's Office IA: TBD</p>	<ul style="list-style-type: none"> • Endorsed by committee: 8 Jun 06 • Draft TA paper reviewed by Committee: • SRC: not available • TA approval: 30 Oct 2006 • TA Letter signing: 13 Nov 2006 	<ul style="list-style-type: none"> • Consultants field work: • Review missions: • Draft final report reviewed by Committee: • Final TA report submitted: • Actual physical completion date: 31 Mar 2009 • Expected Project completion: 31 Mar 2009 • Draft TCR reviewed by Committee: • TCR submitted: • Actual TA account closing: 	<ul style="list-style-type: none"> • Total commitment: \$23,850 • Total disbursement: 0 • Changes in scope and/or , implementation arrangements and/or cost overrun • Main activities: <ul style="list-style-type: none"> ○ Contact persons to please provide

Country TA Number and Title Amount (USD)	Classification	Scope Executing Agency	Processing milestones	Implementation milestones	Implementation progress
TAs endorsed in 2006 and scheduled for 2007 approval					
Uzbekistan CSP Monitoring for Results \$300,000 <i>Contact persons: Rustam Abdukayumov</i>	<ul style="list-style-type: none"> • Sector. sub-sector / Sub-sector • Theme / sub-theme <i>Sustainable Economic Growth / TBD</i> • GI/TI: 	Help the Government strengthen its institutional capacity for poverty-focused monitoring of the CSP and measuring its impact on implementation of the Welfare Improvement strategy. EA: Ministry of Economy IA: Interministerial Steering Committee	<ul style="list-style-type: none"> • Endorsed by committee: 8 Jun 06 • Draft TA paper reviewed by Committee: • SRC: • TA approval: • TA Letter signing 	<ul style="list-style-type: none"> • Consultants field work: • Review missions: • Draft final report reviewed by Committee: • Final TA report submitted: • Actual physical completion date: • Expected Project completion: • Draft TCR reviewed by Committee: • TCR submitted: • Actual TA account closing: 	<ul style="list-style-type: none"> • Total commitment • Total disbursement • Changes in scope and/or , implementation arrangements and/or cost overrun • Main activities:
TA proposals dropped					
Philippines Operationalization of the National Development Plans and Programs for Promoting Rural Electrification in the Philippines \$500,000					

Results Framework for the Administration of the MfDR-Cooperation Fund (2005-2009)

RESULTS LEVEL	PERFORMANCE INDICATORS	REPORTING MECHANISMS	MAIN ASSUMPTIONS AND RISKS
FUND IMPACT / AREA OF CONTRIBUTION TO LONG TERM MfDR GOAL (2010 and beyond)			
Improved DMC capacities to better manage their planning and budget processes for development results	Number of ADB DMCs with performance assessment frameworks to assess progress against (i) national development strategies and (b) sector programs <i>Target: Indicator of Paris Declaration on Aid Effectiveness with target of 75% of countries by 2010</i>	Documentation of International Roundtables on MfDR Reports on implementation of commitments of the Paris Declaration	Momentum and interest in the global MfDR agenda remains high among development partners with greater DMC involvement The Fund can contribute to long term MfDR capacity development in a small number of DMCs.
FUND OUTCOMES IN DMCs AND ADB (by end 2009)			
Increased ADB capacity to respond to demand from DMCs to pilot and demonstrate results management in their planning and budget processes	Success of ADB TAs aimed at supporting DMC results agendas / initiatives, as reflected in ratings of TA completion reports and TA performance evaluation reports <i>Target: 80% of TAs rated "highly satisfactory" or "satisfactory" in TCR.</i> <i>End 2006 status: NA (no TA completed)</i> Number of CSPs addressing MfDR capacity development issues <i>Target: All new CSP approved in 2005-2008.</i> <i>End 2006 status: Results-based CSP prepared in 5 countries (VIE, LAO, INO, PNG, UZB) in 2006 with MfDR capacity assessment briefs. A "Guide for Conducting a Rapid Assessment of DMCs to Manage for Results" was published in 2006 to assist in addressing MfDR issues as part of (global) capacity development assessments.</i> Number of DMCs receiving ADB support through TAs, grants or loans for implementing a national results agenda, including through MfDR-CF <i>Target: 15 DMCs by end 2008 of which 7 or more through MfDR-CF financed TAs.</i> <i>End 2006 status: 13 DMCs receive MfDR capacity development support through ADB TA, of which 8 financed by the Fund.</i>	Annual MfDR-CF Progress Reports Completion and performance evaluation reports of ADB TAs Final (independent) evaluation of the MfDR-CF (2010) Database of ADB loans, TA, and grant approvals	Political and other risks do not disrupt national results agendas or performance-based management systems in DMCs ADB DMCs are active participants in the international MfDR scene DMCs provide durable support for MfDR approaches MfDR-CF contributions can be increased as necessary to respond to DMC demand ADB senior management remains committed to supporting the corporate results agenda

PRINCIPAL FUND OUTPUTS (2005-2009)

MfDR-CF Resources allocated and utilized promptly and in accordance with the mandate of the Fund	<p>Share of donor contribution allocated within a year <i>Target: at least 80% of contribution made in year Y (e.g. 2005) allocated in year Y+1 (e.g. 2006).</i> <u><i>End 2006 status: 100% of 2004 Canadian and Dutch contribution allocated in 2005 and 100% of 2005 Norway contribution allocated in 2006.</i></u></p> <p>Share of donor contribution committed within 2 years <i>Target: at least 80% of contribution made in year Y committed in year Y+2.</i> <u><i>End 2006 status: 100% of 2004 Canadian and Dutch contribution committed in 2006.</i></u></p> <p>Results of final (independent) evaluation of MfDR-CF, especially with respect to MfDR capacity development through ADB TA <i>Target: successful or highly successful rating of evaluation.</i> <u><i>End 2006 status: NA (external evaluation to take place in 2009)</i></u></p>	<p>Annual MfDR-CF Progress Reports</p> <p>Quarterly TA Progress Reports</p> <p>Minutes of meetings of the MfDR-CF Review Committee</p>	<p>ADB regional departments / resident missions prioritize MfDR-CF supported TAs in their workplans</p> <p>Pressures to allocate fund resources rapidly, possibly at the expense of quality of proposals and Fund objectives can be resisted</p> <p>Internal processes for Fund operations remain simple and flexible</p>
Learning and lessons from the MfDR-CF disseminated within ADB and shared with DMCs	<p>Number of ADB professional staff managing TA projects financed by the MfDR-CF <i>Target: at least 15 staff by 2009</i> <u><i>End 2006 status: 7 TA Task Managers in regional departments or resident missions, including 2 members of the review committee in 2006. Committee comprised 7 other members since its establishment.</i></u></p> <p>Results of final (independent) evaluation of MfDR-CF, especially with respect to knowledge generation in ADB <i>Target: successful or highly successful rating of evaluation.</i> <u><i>End 2006 status: NA (recommended external evaluation to take place in 2009)</i></u></p> <p>“Knowledge” disseminated through staff seminars and presentation <i>Target: seminar (such as brown bag) held for each MfDR-CF</i> <i>MfDR-CF pages in ADB’s MfDR websites updated and knowledge products posted quarterly.</i> <u><i>End 2006 status: No knowledge product developed.</i></u></p>	<p>Findings of 2008 to 2010 Annual MfDR-CF Progress Reports</p> <p>ADB Publications and other knowledge products mentioning lessons and learning from MfDR-CF supported TAs</p> <p>ADB’s MfDR web site</p> <p>Final (independent) evaluation of the MfDR-CF (2010)</p>	<p>Synergies can be found with other partners and instruments for MfDR capacity development, including ADB’s community of practice</p> <p>DMCs are willing to analyze and share their MfDR experiences in regional and international forums</p>

KEY FUND ACTIVITIES AND MILESTONES (2005-2009)

Establishment of Review Committee (QIV 2004)

End 2006 status: Committee functional; high turnover of members in 2006

Regular meetings of Review Committee (3 to 5 per year)

End 2006 status: 4 Committee meetings held in 2006

Definition of procedures and operations modalities of the fund (QI 2005)

End 2006 status: completed, some revisions in procedures introduced following consultations with donors in March 2006

Preparation of annual reports (QI 2006-2010)

End 2006 status: 2005 report submitted in February 2006

Holding of annual consultations with donors and liaison with donors (QII 2006-2010)

End 2006 status: 2006 consultations held in March 2006

Review of TA concept papers and reports to support to quality-at-entry

End 2006 status: 5 proposals reviewed by the Committee in 2006 at different processing stages

Review of TA completion reports

End 2006 status: NA (no TA completed in 2006)

Liaison with RDs on TA administration and implementation progress

End 2006 status: Fund secretariat and committee support to resident missions and task managers for TA administration matters; but little interaction at this stage on TA implementation and field work reporting. More pro-active involvement of Committee required.

Maintenance of web site and dissemination of knowledge products

End 2006 status: Fund information largely accessible on ADB web site(s) and regularly quarterly; no knowledge product for dissemination in 2006.

Field work to assess capacity development impact of TA

End 2006 status: No mission fielded by the Fund secretariat / committee given the early stage of the TA under implementation in 2006

INPUTS

Contribution of
Canada

Contribution of the
Netherlands

Contribution of
Norway

MfDR-CF Review
Committee staff time

SPRU staff time and
budget

MfDR-related TAs approved by ADB in 2005-2006 (all funding sources)

TA#	Country	TA Name	Total ADB Financing In US\$	Funding Sources	Approval Date
4581	PRC	Developing a Result-Based National Monitoring and Evaluation System for Key Projects	400,000	TASF	21-Apr-05
4591	MLD	Developing a Results-Oriented 7th National Development Plan	377,000	NPRS	24-May-05
4612	VIE	Results-Based Monitoring of Poverty and Growth	400,000	MfDR-CF	14-Jul-05
4624	LAO	Capacity Development for Monitoring Development Results of the National Growth and Poverty Eradication Strategy	150,000	MfDR-CF	26-Jul-05
6256	REG	Results-focused Project Design and Management	850,000	TASF	09-Sep-05
4686	PHI	Harmonization and Managing for Results	700,000	TASF	04-Nov-05
6269	REG	Preparation and Pilot of the Community of Practice on Managing for Development Results	150,000	TASF	16-Nov-05
4749	PAK	Result-Based Monitoring of Projects	500,000	TASF	16-Dec-05
6306	REG	Mainstreaming Managing for Development Results in Support of Poverty Reduction in South Asia	2,300,000 Incl. 500,000	PRCF MfDR-CF (Sri Lanka)	27-Jan-06 15-Dec-06
4765	NEP	Operationalization of Management for Development Results	400,000	MfDR-CF	13-Feb-06
4801	KGZ	Development of Monitoring and Evaluation System at the Local Level	300,000	MfDR-CF	16-Jun-06
6326	REG	3 rd International Roundtable on MfDR	150,000	TASF	17-Jul-06
4860	TAJ	Strengthening Results Management in Support of Poverty Reduction	1,000,000 Incl. 400,000	Govt of Sweden MfDR-CF	30-Oct-06
4897	AFG	Support to the Afghanistan National Development Strategy	2,700,000 Incl. 400,000	TASF GCF MfDR-CF (comp. 3)	12-Dec-06

4883	RMI	Building Capacity for independent CSP and CPA results Management – A Pacific Pilot	150,000	MfDR-CF	05-Dec-06
6378	REG	RETA for the Community of practice on MfDR- Phase II	750,000	TASF	20-dec-06
TOTAL		16 TAs (11 DMCs and 5 Regional) of which 8 financed by the MfDR-CF	11,277,000		
				of which MfDR-CF: 2,700,000	

Overview of MfDR-CF Financed TAs Approved in 2006

Afghanistan **Support to the Afghanistan National Development Strategy**

The TA will complement assistance to the Afghanistan National Development Strategy provided by other development partners, particularly UNDP and the United States. Component 1: statistical capacity building, will support the capacity of the Central Statistics Office to collect, analyze, and manage data required to monitor the implementation of the Afghanistan National Development Strategy and the Afghanistan Compact. Component 2: promoting transparency and accountability, will build the Government's capacity to identify and design measures that mitigate opportunities for corruption. Component 3 (funded by the MfDR Cooperation Fund): participatory poverty assessment, will complement available quantitative poverty data through sample surveys and administrative data. In addition to providing important information about the nature, characteristics, and impact of poverty in Afghanistan, the pilot exercise will enhance the capacity of Afghan civil society organizations to plan and conduct pilot participatory poverty assessments.

South Asia (Nepal, Bangladesh, Pakistan, and Sri Lanka) **Mainstreaming Managing for Development Results in Support of Poverty Reduction**

The RETA, covering Nepal, Bangladesh, Pakistan, and Sri Lanka aims to help develop sustainable country capacities for the application of results-oriented approaches to poverty reduction within the framework of each country's own system. At the end of the TA, selected public sector agencies of the four participating DMCs are expected to adopt MfDR as their explicit management practice. With the support of the RETA, each country will conduct an MfDR readiness assessment, followed by the formulation of an MfDR strategy and implementation plan recommending changes at the whole-of-government and cross-sectoral levels. Pilot initiatives financed by ADB will support some readily implementable initiatives of the MfDR plan to improve performance under ADB-financed projects, demonstrate success and draw lessons on the feasibility of results-oriented changes.

Viet Nam **Results-based Monitoring of Poverty Reduction and Growth**

The TA will strengthen the Government's institutional capability to conduct results-based monitoring of poverty reduction in Viet Nam. In particular, it will support the Government's effort to introduce a results frameworks and performance indicators and targets for the 5-year Socioeconomic Development Plan. At the end of the TA, a results-based system will be established to monitor and evaluate achievements towards national goals, including for selected sector and thematic areas. The TA will also support selected government agencies' capacities to develop and apply methodologies for assessing and monitoring development results in their areas of responsibility through on-the-job and in-house training, and the production of manuals and guidelines.

Lao
Capacity Development for Monitoring Development Results of the National Growth and Poverty Eradication Strategy

The TA will support the Government's institutional capacity for monitoring the implementation of the National Growth and Poverty Eradication Strategy. Its key deliverables include a set of measurable indicators for monitoring the implementation and assessing the impact of the national development strategy, a common methodology to monitor progress, and a functional and sustainable results-based monitoring system. To sustain the application of the monitoring system developed, a capacity building component will be implemented, mainly through a training of trainers program.

Nepal
Operationalization of Managing for Development Results

The TA will help the Government operationalize and institutionalize a results-based approach to implement ADB's country strategy and program (2005–2009). It covers three components. The first component will institutionalize MfDR approaches within key planning agencies (National Planning Committee, selected line ministries, and pilot district development committees) by promoting a management culture focused on results. The second component will support the development of sector-wide results frameworks and action plans in areas covered by the ADB country strategy. The third component will strengthen results-based monitoring and evaluation in selected line ministries and pilot district development committees, especially through a network of MfDR focal points.

Kyrgyz Republic
Development of a Monitoring and Evaluation System at Oblast Level

The TA will develop the Government's capacity to monitor the implementation of the National Poverty Reduction Strategy at the local level in a results-based way. At the end of the TA, a monitoring and evaluation system will be established at the oblast (local) level, integrated with the national system. The TA comprises three specific components. Component 1: development of results indicators and methodology, will lead to the selection of pertinent indicators of local needs, the adoption of methodologies for collecting, processing, and analyzing data, and well-defined roles of agencies and stakeholders in the monitoring and evaluation process. Component 2: establishment of oblast monitoring centers, will provide equipment and other resources to the seven oblast monitoring centers and provide initial training and orientation to their staff. Component 3: enhancement of oblast capacity in MfDR will train central and local government agencies on the concept and application of MfDR approaches and systems and M&E.

Tajikistan
Strengthening Results Management in Support of Poverty Reduction

The TA aims to improve results management capacity in central parts of the Government, specifically the President's Office, Ministry of Economy and Trade, Ministry of Finance, the Poverty Reduction Monitoring Unit, and the Aid Coordination Unit. In a first phase, an assessment of the results management capacity of the central Government will be conducted (encompassing an analysis of culture, leadership, and management systems and practices for planning, budgeting, and monitoring the implementation of development programs). In a second phase, a results framework will be designed to assist in monitoring the implementation of the Poverty Reduction Strategy. In the last phase, the poverty reduction strategy results framework will be applied, assessed, and refined. TA activities include training, workshops and seminars, to improve staff capacity of the concerned agencies in the area of data collection, processing, and analysis. A separate TA, administered and financed by the EC, will pilot test a similar approach and follow the same sequencing of activities in the health and education sectors.

Marshall Islands
Building Capacity for Independent Country Partnership Strategy and Country Performance Assessments Results Management

The TA will contribute to build RMI country statistics generation and policy analysis capacities and, at the same time, strengthen country demand for an independent monitoring of, and management for, development results. The TA consists of 3 inter-related components. Component 1: statistics training at the University of the South Pacific country campus of selected staff from the national planning office, the Education and Health ministries, and the NGO community. Component 2: contribution to and report on the monitoring of the ADB's Country Partnership Strategy and the annual Country Performance Assessment. Component 3: public discussions of both future country strategies and Country Performance Assessment preceded by stakeholder analyses for each policy discussion. The approach aims at building the demand for policy discussion, policy analyses, and therefore pertinent information and statistics in support of such dialogue. It could be replicated at comparatively low cost in other Pacific DMCs.

MfDR-CF Financial Statements as of 31 December 2006

Statement 1

ASIAN DEVELOPMENT BANK
ADMINISTRATOR FOR
TECHNICAL ASSISTANCE GRANT FUND
COOPERATION FUND IN SUPPORT OF MANAGING FOR DEVELOPMENT RESULTS

STATUS OF GRANT (CONTRIBUTION)

As of 31 December 2006

(Amounts in US dollar)

	TOTAL CONTRIBUTION COMMITTED		2,924,719.56
Add:	Gain (loss) arising from change in value of currency		<u>49,774.82</u>
NET CONTRIBUTION AVAILABLE			
	Amount received - Gov't of Norway (USD1,254,000)	1,254,000.00	
	Amount received - Gov't. of Canada (CAD 1,000,000)	775,494.38	
	Amount received - Gov't. of Netherlands (EUR 700,000)	<u>945,000.00</u>	2,974,494.38 ^{a/}
Add:	Income from Investments	151,895.52	
	Interest Income	63,374.85	<u>215,270.37</u>
TOTAL AMOUNT AVAILABLE			
			3,189,764.75
Less amounts utilized for:			
	Project expenditures (Statement 2)	(74,571.02)	
	ADB administration cost	(3,728.55)	
	Financial expense - bank charges	<u>(79.00)</u>	<u>(78,378.57)</u>
UNTILIZED BALANCE			
			3,111,386.18 ^{b/}
Less:	Outstanding commitments	(2,225,428.98)	
	Reserve for ADB administration cost	<u>(111,271.45)</u> ^{c/}	(2,336,700.43)
UNCOMMITTED BALANCE			
			774,685.75
Less	TA approved But Not Yet Effective		
	4897/AFG Support to the Afghan National Devt Prog	(400,000.00)	
	Reserve for ADB administration cost	(20,000.00)	(420,000.00)
UNCOMMITTED BALANCE AVAILABLE FOR NEW COMMITMENTS			
			<u><u>354,685.75</u></u>

^{a/} Represents the actual US dollar equivalent of contributions received.

^{b/} Represented by:

	Cash in bank		3,047,343.82
	Advances		64,347.28
	Interfund payable		<u>(304.92)</u>
			<u><u>3,111,386.18</u></u>

^{c/} Represents 5% of the outstanding commitments.

ASIAN DEVELOPMENT BANK
Statement of TA Expenditures- Cooperation Fund in Support of Managing for Development Results
As of 31 December 2006

(Expressed in US dollars)

TA Title	TA No./Type	Date of Approval	TA Amount ^{1/}	Amount Received	Projected Expenditures ^{2/}			Outstanding Commitments	Expected TA Completion Date	Completed TAs	
					Cumulative up to 31/12/05	Transactions 01/01-12/31/06	Cumulative up to 1/12/06			Unutilized Commitment (Savings)	Financial Completion Date
			(A)	(B)	(C)	(D)	(E) = (C) + (D)	(F) = (A) - (E)	(G)	(H) = (A) - (E)	(I)
Results-Based Monitoring of Poverty Reduction & Growth	4612/AO	14-Jul-05	400,000.00		-	36,321.02	363,678.98	363,678.98	31-Dec-07		
Capacity Dev for Monitoring Devt Results of Natl Growth & Poverty Eradication	4624/AO	26-Jul-05	150,000.00		-	-	-	150,000.00	30-Jun-06		
Operationalization of Managing for Development Results	4765/AO	13-Feb-06	400,000.00		-	38,250.00	38,250.00	361,750.00	10-Oct-08		
Development of a Monitoring and Evaluation System at Oblast Level	4801/AO	16-Jun-06	300,000.00		-	-	-	300,000.00	31-May-08		
Strengthening Results Management in Support of PR in Tajikistan	4860/AO	30-Oct-06	400,000.00					400,000.00	31-Mar-09		
Building Capacity for Independent CPS & CPA results MGT - A Pacific PILOT	4883/AO	05-Dec-06	150,000.00					150,000.00	31-Dec-09		
Mainstreaming MFDR in Support of Poverty Reduction in South Asia	6306/REG	27-Jan-06	500,000.00					500,000.00	31-Dec-08		
Total Approved and Effective TAs			2,300,000.00	2,974,494.38 ^{3/}		74,571.02	74,571.02	2,225,428.98			

TA Title	TA No./Type	Date of Approval	TA Amount ¹⁷	Amount Received	Cumulative up to 31/12/05	Transactions 01/01-12/31/06	Cumulative up to 1/12/06	Outstanding Commitments	TA Completion Date	Unutilized Commitment (Savings)	Financial Completion Date
			(A)	(B)	(C)	(D)	(E) = (C) + (D)	(F) = (A) - (E)	(G)	(H) = (A) - (E)	(I)
Add: TA project/program approved but not yet effective											
Support to the Afghanistan National Development Strategy	4897/AO	14-Dec-06	400,000.00						31-Dec-08		
				CAD 1,000,000.00							
				USD 775,494.38	Canada						
				EUR 700,000.00							
				USD 945,000.00	Netherlands						
				USD 1,254,000.00	Norway						
			2,700,000.00	2,974,494.38	Total						

^{1/} US\$ equivalent of TA Grant at the time of TA Approval

^{2/} Actual Disbursements

^{3/} Represents the actual US\$ equivalent of contributions received