

TECHNICAL ASSISTANCE COMPLETION REPORT

Division : CWAE

TA No., Country and Name TA 4301-AZE: Supporting River Basin and Flood Management Planning			Amount Approved: \$500,000 Revised Amount:																				
Executing Agency Azerbaijan Amelioration and Irrigation Company (formerly the State Amelioration and Irrigation Committee within Ministry of Agriculture)		Source of Funding: Japan Special Fund (JSF)	Amount Undisbursed: \$44,147.00	Amount Utilized: \$455,853.00																			
TA Approval Date: 19 Dec 2003	TA Signing Date: 8 Nov 2004	Fielding of First Consultant(s): 6 Oct 2005	<table style="width: 100%; border: none;"> <tr> <td colspan="3" style="text-align: center;">TA Completion Date</td> </tr> <tr> <td style="text-align: center;">Original:</td> <td colspan="2" style="text-align: center;">Actual:</td> </tr> <tr> <td style="text-align: center;">30 September 2005</td> <td style="text-align: center;">31 January 2008</td> <td></td> </tr> <tr> <td colspan="3" style="text-align: center;">Account Closing Date</td> </tr> <tr> <td style="text-align: center;">Original:</td> <td colspan="2" style="text-align: center;">Actual:</td> </tr> <tr> <td style="text-align: center;">September 2006</td> <td style="text-align: center;">13 October 2008</td> <td></td> </tr> </table>			TA Completion Date			Original:	Actual:		30 September 2005	31 January 2008		Account Closing Date			Original:	Actual:		September 2006	13 October 2008	
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<p>Description</p> <p>Azerbaijan's rural and agriculture sector had slipped into decline following a period of limited investment for development, and operation and maintenance. Rural infrastructure had deteriorated markedly, resulting in reduced access to services, lower agricultural productivity, and a greater risk of flood damage to settlements and crops. Although Azerbaijan is recovering economically due to investment and development of oil and gas reserves, this does not have much impact on rural income levels. Recovery of the agriculture sector, with sustainable water use and environmental protection, requires improved water resources and flood management, especially to alleviate rural poverty. The Technical Assistance (TA), which was approved in conjunction with the Flood Mitigation Project¹ (FMP) was to support capacity building of a river basin and flood management planning cell to be created in the Azerbaijan Amelioration and Irrigation Company (AAIC) the Executing Agency (EA). The cell could be a precursor of a neutral apex body mandated to manage national water resources. This is to be done by promoting the reorganization and strengthening of water resources and flood management, to integrate the actions of concerned water and environment management line agencies. The overall objective is integrated river basin and water resources/flood management planning, to improve water use efficiency, mitigate flood impacts (using typical structural measures in conjunction with non-structural measures), and generally strengthen the rural economy, generate job opportunities, and boost food production and security.</p>																							
<p>Expected Impact, Outcome and Outputs</p> <p>There was no specific Design and Monitoring Framework (DMF) for the TA, but the TA outputs are related in part to more effective implementation of the structural and non-structural measures in the FMP in accordance with the objectives, outcomes and outputs presented in its DMF. In particular, the TA was to strengthen strategic planning for flood management, by providing advice and training to the Planning Cell and to provide capacity building for flood warning, emergency management and watershed management, also within that Cell.</p>																							
<p>Delivery of Inputs and Conduct of Activities</p> <p>At inception, the EA indicated that no special Planning Cell would be established, and instead designated its Science, Projects, Construction and Foreign Relations (SPCFR) Division as the Planning Cell. Consulting services were provided to assist SPCFR, and to a lesser extent, work with other water and flood management related agencies.</p> <p>The TA envisaged consultancy inputs of 12 person months of international (intermittent) and 44 person months of domestic over a 12-month period. The fragmentation of the international inputs over the TA duration had a negative impact on establishing a relationship with an EA that was conservative, and on overall productivity, especially when domestic activity was often minimal during absence of internationals, owing to the deficiency in independent consulting experience in Azerbaijan. This also restricted effective exchange, limiting the opportunities for capacity building within the SPCFR. This was the first TA with the EA who, unfortunately, did not actively engage with the Consultant to take advantage of the available experience, knowledge and skills. The priority focus of the EA and SPCFRP was mainly directed at the implementation of the FMP and not at long-term institutional reform and capacity building issues. The Consultant was constrained to work with very limited information made available, and performed generally satisfactorily.</p> <p>The commencement was delayed by about 12 months due to the delay in the signing of the TA Letter Agreement. The TA implementation period also needed to be extended twice for a total of 12 months which was required to finalize and improve the quality of the reports. A fourth extension of the TA period of 4 months was required to allow for the processing and release of final payments to the consultant. In terms of consultancy inputs, however, only an additional 1.1 person-months of international, including 0.89 person-month of home office services to incorporate comments on the final report, were required. ADB adequately monitored TA implementation and facilitated good collaboration between the Consultant and the EA. ADB's performance was also generally satisfactory.</p>																							
<p>Evaluation of Outputs and Achievement of Outcome</p> <p>During the TA, three workshops were held. The first was not particularly successful, as at that stage there was very little established understanding within the participants about what the TA was to achieve. When explained that it was to support and strengthen a multi-stakeholder Planning Cell, support was muted, as GOA had not issued any directive for this to be established. Consequently, the TA was constrained from an early stage. The second workshop was much more</p>																							

¹ Loan No. 2068-AZE: *Flood Mitigation Project*, approved on 19 December 2003, for \$22.1 million.

successful, as it promoted the principles and benefits of strategic planning and adoption of tested practice from other parts of the world. The third workshop was also well received, and concentrated on measures for improving flood risk management including the benefits of integration of non-structural with structural measures and the methods for achieving this integration.

All required reports were produced. The Inception report, based on the intent of the TOR, was not well received, and was later modified in relation to agreements concluded at the Inception Review Tripartite Meeting. A key outcome was that the broadly based neutral Apex body 'Planning Cell' would not be developed. By virtue of this, involvement and support for the TA from other stakeholders was significantly constrained from thereon. The Interim Report was delayed, because of delays to the Inception Report review and comments, and also because TA activities could not proceed as smoothly as originally foreseen. The Interim Report was finalized after presentation of the Strategic Planning principles and framework, and was based on feedback obtained at the second workshop. The Draft Final Report (DFR) took into account some key information that only became available during the last international consultancy inputs. Those inputs were delayed whilst comments were awaited on the Interim Report and to allow more time for production of requested information. The DFR included significant revision to earlier information included in the Interim Report, and responded to outcomes obtained at the third workshop on Flood Management. The Final Report involved a substantial reorganization and refinement of the available information, findings and recommendations as compared to the DFR. It provides advice on a strategic approach and methodology for the management of water supply, flood risks and environmental issues within Azerbaijan, including aspects of institutional reform and capacity building.

Overall Assessment and Rating

The TA has been successful in bringing together a lot of relevant information, preparing some key recommendations for future action, and through the workshops, bringing key parties together. It has failed, however, in gaining any firm contribution and commitment from the EA, who had expectations for 'firm demonstrative action' by Consultants, even though in fact the TA was advisory. Though some reorganization took place, AAIC did not fully restructure its SPCFR to maximize the potential for 'transfer of knowledge' and 'strengthening capability'. Consequently, SPCFR has not become the de facto 'Planning Cell' as envisaged following the Inception Mission discussions, or as defined in the TOR. Overall, the TA can be considered to be partly successful.

Major Lessons

For effective institutional support and strengthening of capability, the EA (and other water sector stakeholders in this case) needs to demonstrate prior commitment to the TOR by assigning personnel and resources before the mobilization of the consulting services. In particular, to be fully effective on a limited TA budget and time allocation, the EA should have defined and set aside the physical facilities with basic functionality for the TA services, and assigned human resources for TA support. However, this may be an unrealistic expectation when the EA's focus and financial capacity was more on the FMP.

Given the early indications, it would have been beneficial, in hindsight, to have held a 'kick-off' workshop shortly after or during the inception mission (where the EA rejected the Planning Cell concept) at which ADB and the Government of Azerbaijan (GOA) would have outlined the prevailing situation, priorities, issues, and desired outcomes from the TA. The TOR could then have been reworked and with the assigned EA staff, prepare an inception report that more closely addressed the concerns, and set out an agreed strategy, redefining expected outcomes, milestones and commitments from all participants. The responsibilities and financial commitments of all parties should be clear, without which, startup activities are jeopardized to the detriment and effectiveness of the whole TA.

Recommendations and Follow-Up Actions

A strategic planning framework has been prepared, that includes a range of arguments and recommendations for future action that would lead to best practice water resources and flood risk management. ADB may consider further assistance to promote and implement any or all of the recommendations. It appears, however that the GOA/the EA does not accept at the moment the need for a multi-stakeholder approach to water resource management, notwithstanding a declared and somewhat conflicting acceptance of Integrated Water Resources Management principles and adoption of a token "consultation" approach.

Technological deficiencies in hydrology, IT and modeling, are acknowledged in most agencies, and further support and capacity building would be extremely beneficial.

A clear commitment from GOA would need to be secured in order to progress further with project planning and resource management capacity building and related institutional strengthening. GOA should provide clear policy direction, facilitate formation of the organizational structure, assign operational responsibilities with adequate human and physical resources, and guarantee financial support, to enable the reorganized institutions to function as planned. A key element for this would be to establish a broad based Apex body to coordinate and guide integrated river basin, water resources and flood management planning at a national level. Any future TA can be then be more clearly directed to assist the specified incumbents to define and agree relevant objectives, targets and timeframe for effective river basin, water resources and flood management.