

June 29, 2006

TECHNICAL ASSISTANCE COMPLETION REPORT

Department: South Asia Department (SARD)

Division: Operations Coordination Division (SAOC)

TA No. and Name TA4591-MLD: Developing a Results-Oriented 7 th National Development Plan			Amount Approved: US\$377,000.00	
			Revised Amount: -	
Executing Agency: Ministry of Finance and Treasury		Source of Funding: NPRS	TA Amount Undisbursed US\$2,729.00	TA Amount Utilized US\$374,271.00
Date			Completion Date	
Approval	Signing	Fielding of Consultants	Original 31 Dec 2005	Actual 31 Dec 2005
25 May 2005	07 June 2005	27 June 2005	Closing Date	
			Original 30 April 2006	Actual 31 May 2006
<p>Description: At the request of Government of the Maldives (the Government), the Asian Development Bank (ADB) assisted the Government to develop a new national development plan (the 7th NDP; the Plan) for the period 2006–2010. The concept of this assistance was supported for funding by the Cooperation Fund in Support of the Formulation and Implementation of National Poverty Reduction Strategies (NPRS) at a peer review meeting on 13 March 2005. A Fact-Finding Mission (4–11 April 2005) reached understandings with the Government on the long-term goal and objectives of the technical assistance (TA); its scope; implementation arrangements; cost and financing arrangements; and the terms of reference for the consultants. The United Nations Development Programme (UNDP) also expressed interest to provide support for the TA through the services of experts employed by UNDP and acceptable to ADB.</p> <p>The Government's intention was to prepare the 7th NDP as a results-based plan directed to contribute to the achievement of the long-term goals of Vision 2020. The goals of the 7th NDP are: (i) reduction of vulnerability and poverty; (ii) improving access to opportunities and services through regional development; (iii) achieving sustainable and equitable economic and social development through greater participation of all sectors of the society; and (iv) strengthening family values and national unity through investing in social, cultural, and religious harmony. As in any results-oriented plan, the Government intends to monitor progress made in the implementation of this plan, and report to all stakeholders such progress made through a medium-term progress report and a final assessment report.</p>				
<p>Objectives and Scope: The impact sought by the technical assistance is to contribute effectively to the achievement of the goals of the 7th NDP as identified above. The outcome of the TA was intended to be a results-based 7th NDP focused on achieving the goals identified above. Two indicators were identified by ADB for evaluating ADB's success in developing sustainable capacity in the Government to plan, implement, and monitor results-based national poverty reduction plan. These were: first, the assessment contained in the mid-term and final reports on implementation of the 7th NDP (as mentioned above); and second, if, at the completion of the TA, the Government is in a position to draft an action plan that:</p> <ul style="list-style-type: none"> (i) identifies and ranks actions to be taken during the period covered by the 7th NDP; (ii) aligns external funding resources with the priorities of the 7th NDP, and (iii) sets priorities for the medium-term budgetary framework in such a way that it supports the areas of priority in the 7th NDP. <p>The planned outputs of the TA were :</p> <ul style="list-style-type: none"> (i) Background study of (a) work done on a medium-term macroeconomic framework; (b) the existing processes used by the Government to prepare an MTEF with coherent prioritization of development aid projects supported by appropriate budgetary allocations; (c) assessment of existing monitoring and evaluation systems in the public sector, including proposals on how to address existing gaps if found; and (d) progress made and achievements under the 6th NDP. This output was not intended to require reports, only to inform the work on the 7th NDP. (ii) In collaboration with the core ministries, production of medium-term sectoral road maps for the development of the core sectors. All other ministries were to be involved in the process so that these road maps can serve as good practice models for the preparation of other sectoral road maps by the other ministries. (iii) Provision of advice, needed background reports and technical support to the Government on preparing a results-based national development plan and assisting the Government in synthesizing the various inputs received from consultants, stakeholders, and other sources into a coherent national plan. (iv) Conducting regional, in-country workshops that would enable ADB, UNDP and the Government to communicate with the country stakeholders regarding the objectives and the goal of the 7th NDP. (v) Initiating gender-sensitive and gender-responsive approaches in all sectors. (vi) Mainstreaming key crosscutting issues together with Millennium Development Goals (MDGs) in the 7th NDP. 				

Evaluation of Inputs:

- The TA had a clear formulation for the intended deliverables by ADB, the Government, and the UNDP Office in Male.
- Terms of reference of the consultants were defined clearly, and agreed to by the Government. Consultants were dispatched without delay. The quality of work of the consultants, including advice provided and reports produced was considered both by the Government and ADB to be very good.
- Review mission took place in the context of normal country programming missions and dialogue with the Government.
- The deliverables from the Government were not provided as planned in terms of the needed economic and budgetary information. Also a number of planning and budgetary decisions were delayed due to continued budgetary problems.
- The UNDP also did not fully provide the deliverables assigned to and agreed by it.
- As a result of the above, and also because of demand by the Government for extra output beyond the original agreed set, additional input (extension of the contract of the international consultant) was provided by ADB in a timely manner in order to finalize the output delivered to the satisfaction of the Government.

Evaluation of Outputs :

- All outputs, except output (iv) were produced and delivered as planned. The quality of background studies were good and discussions with various ministries on sectoral roadmaps were well-attended. The tasks relating to initiating gender sensitive and gender-responsive approaches in all sectors and all stages of planning, implementation and monitoring of the 7th NDP, and mainstreaming key crosscutting issues were supported by the Government and the UNDP.
- With respect to output (iv), the Government requested that regional workshops be delayed until after the first draft of the 7th NDP was ready for circulation to all stakeholders.
- In addition to the original list of outputs identified in the TA paper and agreed to by the Government, an additional output, requested by the Government was provided by ADB in the form of the first draft of the actual 7th NDP itself.
- The conduct of discussion sessions with various ministries to draw up sectoral roadmaps helped to familiarize the relevant staff with the importance of having monitorable plans of operation in each sector.

While the TA successfully introduced the importance of having the development operations and investments under the 7th NDP fully costed and prioritized, the continuation of a serious budgetary deficit prevented the Government from clearly costing the 7th NDP and beginning its actual implementation as planned.

Overall Assessment and Rating :

TA was successful in delivering its committed outputs. However, the expected outcome of: “at the completion of the TA, the Government is in a position to draft an action plan that: (i) identifies and ranks actions to be taken during the period covered by the 7th NDP; (ii) aligns external funding resources with the priorities of the 7th NDP; and (iii) sets priorities for the medium-term budgetary framework in such a way that it supports the areas of priority in the 7th NDP” did not fully materialize as the continuation of a serious budgetary deficit prevented the Government from making the necessary background decisions for these outcomes to materialize. In this sense, the full achievement of the expected outcomes was prevented by factors outside the control of the TA. This risk was identified in the Design and Monitoring Framework for the TA.

The Government's ownership of the requested outputs of this TA was not sufficiently strong. Although the Government showed good capacity in shaping the design of the TA and defining its deliverables, sufficient support (in the form of provision of economic information and ensuring that budgetary decisions are made on time to enable the costing and prioritization of development activities under the 7th NDP) was not provided to the TA during implementation.

Major Lessons Learned :

- The nature of this TA was mainly to provide advice and assistance on a task that (drafting of a NDP) the Government itself had shown some capacity to produce in the past. A main lesson learnt from this TA was that to the extent possible (and assuming sufficient staff time is available), staff resources (rather than TA funding) should be used for such a task.
- A further lesson learnt was that the responsibility for TA outputs and deliverables, if divided between more than one development partner, may give rise to complications including a free-rider problem.

Recommendations and Follow-Up Actions:

It is recommended that ADB follow-up with policy dialogue and advice on the implementation of the 7th NDP and the preparation of a mid-term implementation monitoring report as well as a final report upon completion of the implementation of the 7th NDP. It is recommended that this follow-up be provided in the form of staff dialogue with the Government officials, rather than provision of further TA funds.

