

TECHNICAL ASSISTANCE COMPLETION REPORT

Division: PAHQ

TA 4199-RMI: Strengthening the Economic Policy, Planning, and Statistics Office			Amount Approved: \$500,000									
			Revised Amount:									
Executing Agency Ministry of Finance	Source of Funding TASF		Amount Undisbursed: \$39,053.73	Amount Utilized: \$460,946.27 <i>(as of 1 October 2007)</i>								
TA Approval Date: 17 October 2003	TA Signing Date: 28 November 2003	Fielding of First Consultants: March 2005	<table style="width: 100%; border: none;"> <tr> <td colspan="2" style="padding: 5px;">TA Completion Date</td> </tr> <tr> <td style="padding: 5px;">Original: 31 December 2005</td> <td style="padding: 5px;">Actual: 30 November 2007</td> </tr> <tr> <td colspan="2" style="padding: 5px;">Account Closing Date</td> </tr> <tr> <td style="padding: 5px;">Original: 31 December 2005</td> <td style="padding: 5px;">Actual: 27 November 2007</td> </tr> </table>		TA Completion Date		Original: 31 December 2005	Actual: 30 November 2007	Account Closing Date		Original: 31 December 2005	Actual: 27 November 2007
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<p>Description</p> <p>The Economic Policy, Planning and Statistics Office (EPPSO) was established in 2002 to combine the earlier functions of the Office of Planning and Statistics (OPS) with new functions related to budget policy and planning and aid coordination. The new EPPSO required assistance to strengthen macroeconomic and fiscal policy formulation, statistics generation and other capacity development. EPPSO also needed to be able to reconcile various stakeholders' interests in the country's development agenda. The latter was to be enabled through the creation of a Task Force. ADB had provided technical assistance (TA) to EPPSO's predecessor, the OPS, and lessons from this TA were taken into account in designing TA 4199.</p> <p>Expected Impact, Outcome and Outputs</p> <p>The ultimate goal of the project was to assist the RMI's long-term economic development and poverty reduction by means of institutional development and increased local stakeholder participation, leading to effective budget and policy formulation, implementation, and monitoring, and production of social and economic statistics. The TA was also expected to support EPPSO's general development and improved performance. Broad outputs of the TA were expected to be: (i) clearer definition of EPPSO's role and functions through assistance in preparing a strategic plan and operations manual; (ii) capacity building, staffing, and training plans for EPPSO based on a needs analysis and EPPSO's strategic plan; (iii) establishing and operationalizing the task force; (iv) on-the-job training and capacity building; and (v) provision of minor office equipment.</p> <p>Delivery of Inputs and Conduct of Activities</p> <p>Computers, printing and other related equipment to be procured under the TA were supplied in a timely manner. The Government initially experienced difficulty attracting suitably qualified counterparts but this problem was subsequently overcome. A Task Force was to be established to assist economic policy and planning, however this was not acceptable to Cabinet and was also found to be unworkable as there were insufficient non-government representatives both available and prepared to offer their time to such an exercise without remuneration. Planned TA effort in participatory budgeting was subsequently undertaken under other regional TA. TA consultants recommended that either EPPSO's legal mandate be adjusted to fit its current work program or its work program be adjusted to its legal mandate. This also was not supported by Government. The TA was therefore unable to facilitate the development of a Strategic Plan and operating manuals. These tasks were some of the primary tasks of the Institutional Development Specialist. The Institutional Development Specialist's other institutional development tasks were also completed early in the TA and this therefore necessitated a change in his ToR. The work of the Macroeconomic and Fiscal Policy Expert, and the Statistics Advisor (only one was recruited) proceeded well and as planned. The local coordinator who was to help facilitate stakeholders' participation was not required because of the change in the ToR for the Institutional Development Specialist. The performance of all consultants was considered excellent. Collaboration with other government departments, with civil society and other donors also largely worked well. Marshalllese counterparts were trained in statistics to certificate level at the Majuro campus of the University of the South Pacific (USP). This proved to be a most efficient and effective means to train counterparts and has been expanded in other, subsequent TA (RMI 4883). All inputs were considered to be highly cost efficient. EA performance is rated satisfactory. The TA was exceedingly well championed by the Director of EPPSO and by the Chief Secretary and Secretary of Finance. Review missions were conducted on a regular basis by the Project Officer and the RMI country Desk Officer. The TA was planned to be implemented over a period of 24 months and more time (32 months) was required. ADB performance is rated as satisfactory.</p>												

Evaluation of Outputs and Achievement of Outcome

All required reports were produced. The TA succeeded in training local counterparts and in developing the RMI national statistics data set. Building the institution of EPPSO was taken as far as it could be under the TA. This was however limited by the fact that whereas EPPSO is a department of the Office of the Chief Secretary it also undertakes work (performance budgeting development) for the Ministry of Finance. A medium-term fiscal policy framework was completed. Five year economic policy statements were introduced. Budget and other economic monitoring was partly completed. All activities were very well disseminated, through EPPSO publications, website, public debates, participatory workshops and the media. While the TA also succeeded in producing a series of policy briefs and policy recommendations for Cabinet consideration, where it did not succeed was in securing Cabinet decisions on these policy recommendations. More work is needed to strengthen statistics, and to further strengthen policy formulation and administration.

Overall Assessment and Rating

The TA was highly successful in terms of capacity building, developing national statistics, and in producing policy briefs. However, the TA did not succeed in securing policy decisions by Cabinet and other institutional development objectives could only be partly achieved. The TA is therefore rated overall as successful.

Major Lessons

Local counterpart training in statistics to certificate level at the USP campus was most successful and should be considered in other PDMCs where a USP campus is located. The administration of policy, from research to analysis, to formulation, to provision, to Cabinet submission with follow-up monitoring and then evaluation is in great need of strengthening and this should have been a component of the TA. A well positioned local champion can make a great difference to TA performance. Intermittent consulting inputs stretched over a longer period can work well. Intermittent consulting inputs allows for a pause that encourages counterparts to take initiative and continue developing established work plans. Cabinet, as the senior policy-making body, need to prove intent to use and respond to policy briefs. International consultants need to work well with Marshallese counterparts if they are to succeed in implementing their ToR and this personal characteristic should be assessed on selection.

Recommendations and Follow-Up Actions

TA 4883-RMI: *Building Capacity for Independent CPS and CPA Results Management* was guided by the output of TA 4199. A follow-up "EPPSO II" TA has already been drafted for consideration for funding in 2008.

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