

ASIAN DEVELOPMENT BANK

TAR: OTH 38588

TECHNICAL ASSISTANCE

FOR

**SUPPORTING THE ACHIEVEMENT OF THE
MILLENNIUM DEVELOPMENT GOALS IN THE ASIA-PACIFIC REGION**

November 2004

ABBREVIATIONS

ADB	–	Asian Development Bank
DMC	–	developing member country
HIV/AIDS	–	human immunodeficiency virus/acquired immunodeficiency syndrome
MDG	–	Millennium Development Goal
PRS	–	poverty reduction strategy
TA	–	technical assistance
UN	–	United Nations
UNDP	–	United Nations Development Programme
UNESCAP	–	UN Economic and Social Commission for Asia and the Pacific

TA CLASSIFICATION

Targeting	–	Targeted intervention
Classification		
Sector	–	Multisector
Theme		Inclusive social development

NOTE

In this report, "\$" refers to US dollars.

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I. INTRODUCTION

1. The United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) and the United Nations Development Programme (UNDP) jointly produced the first Millennium Development Goals (MDG) Report in 2003, which provided inputs to the UN Secretary General's Report to the UN General Assembly on progress on the MDGs worldwide. The Report (referred to as MDG Report I) served more than just that purpose. It enabled valuable stocktaking on the status of the achievement of MDGs in the region, and highlighted the significant distance that many countries were from achieving the MDGs and the relevant constraints and issues. MDG Report I has received considerable attention in the region. The Asian Development Bank (ADB) was not formally associated with MDG Report I, although ADB was invited and participated in the advisory committee, it provided no funding support for preparing the Report.

2. The second and third MDG reports (MDG reports II and III), scheduled for 2005 and 2007, respectively, are to be incorporated into the UN Secretary General's reports to the General Assembly for those years. Both UNESCAP and UNDP felt that ADB's participation in the project would greatly enhance the quality of MDG reports II and III and their usefulness in furthering the MDG agenda in the region. A formal request for ADB to participate in the project was made in January 2004, and ADB has formally agreed to participate in the tripartite enterprise. ADB held several rounds of discussion with UNESCAP and UNDP staff in Bangkok and at ADB headquarters. The technical assistance (TA) framework (Appendix 1) summarizes the main aspects of the TA.

II. ISSUES

3. On 2 July 2004, the Board approved the Review of the Poverty Reduction Strategy (PRS). The review recommends that ADB adopt a comprehensive monitoring and evaluation framework for assessing progress in implementing the enhanced PRS. It was recommended that the overall impact of ADB's implementation of the PRS be gauged on the basis of the achievement of the MDGs. Given this mandate, there is need to emphasize the quality of reporting on MDGs and the strategies for achieving them.

4. The data and reports on MDGs are usually prepared by or in collaboration with the UN system. Reporting on MDGs in the Asia-Pacific region began comprehensively through MDG Report I, which provided an authoritative basis for assessing MDG achievements in the region. However, given the magnitude of the tasks, UNESCAP and UNDP alone can neither improve the quality of the reporting nor address all the priority issues. The MDG I Report initiated a comprehensive assessment of the status of MDG attainment, including the MDGs that were at risk of nonachievement in the region and the binding constraints.

5. MDG reports II and III need to go beyond, be of practical relevance to policy practitioners in the region, and provide information and guidance on how to attain the targets by 2015. Given the immense tasks ahead, there is a need for prioritizing activities. Some areas have been identified for greater emphasis and priority action jointly by ADB, UNESCAP, and UNDP in consultation with other UN agencies (paras. 6-10).

¹ The TA first appeared in *ADB Business Opportunities* (Internet edition) on 7 October 2004.

6. **Improving Data Quality.** There are severe gaps in data coverage relating to MDGs, weaknesses on the comparability of data across countries, discrepancies between officially reported numbers and those estimated by independent surveys, and, consequently, problems in using data for making assessments and projections. This is a medium-term issue that involves improving data collection capacity, and efforts to improve techniques to ensure accuracy of estimates.

7. **Country Coverage—Countries at Risk and Central Asia.** Several countries—mainly the least developed in the Asia-Pacific region—are unlikely to meet the MDG targets, given the constraints in resources, institutions, and capacities. There are also subnational areas in many countries that are similarly at risk of not attaining the MDGs. To better assist them, a special effort to identify these countries and subnational areas and their constraints is necessary. The MDG I Report did not adequately address the issues of the Central Asian countries. Issues relating to these countries need to be included in future reports.

8. **Thematic Emphasis.** Resources and institutional capacity appear to be general binding constraints to MDG attainment in the region. The UN is doing considerable work at the global level on the resources issue.² On the other hand, institutional constraints are increasingly becoming critical. There is a need to focus on institutions that can be changed in the medium term (by changes in public policy).

9. **Special Issues.** Various special issues concerning the MDGs may need particular attention. They include the following:

- (i) **Hunger and malnutrition.** Although income poverty appears to be declining, there are concerns that nutritional levels are stagnant in many cases. Several international initiatives are being taken including the UN meeting convened recently by the President of Brazil to discuss ways of eradicating hunger.
- (ii) **HIV/AIDS.**³ The impact of HIV/AIDS on economic development and poverty in the region needs to be highlighted and strategies developed for controlling the disease.
- (iii) **Rural poverty.** As most of the region's population still live in the poor underserved rural areas, rural development and poverty reduction may need special attention. The Food and Agriculture Organization (FAO) is stressing this factor.
- (iv) **Microinitiatives.** Small community-led and local initiatives that have been successful in MDG areas need to be highlighted or upscaled.

10. **Dissemination.** It has been stressed that mere publication of reports will not be sufficient if the information and issues highlighted are not used by policy makers in the region, aid sources and other stakeholders. In view of this, reports should be prepared with dissemination in mind. An effective program of dissemination should be built into the process. UNESCAP is developing a detailed dissemination plan that includes preparation of dissemination material; policy dialogue with authorities and discussions with stakeholders at the

² The UN Secretary General has appointed Mr. Jeffrey Sachs to estimate financial resource gaps.

³ human immunodeficiency virus/acquired immunodeficiency syndrome.

country level with the help of ADB resident missions and UNDP country offices; and dissemination by web-sites.

11. The above issues need to be taken care of through the reports and their dissemination. As MDG reports II and III will have to be succinct (covering no more than 120 pages each), other important issues may be covered through an MDG technical paper series.

12. Given the need to raise awareness, initiate policy, investment and capacity building actions at the developing member country (DMC) level, particularly for DMCs that are at risk of not meeting the MDG targets, this TA will make a strong contribution toward achieving the MDGs in the region.

III. THE TECHNICAL ASSISTANCE

A. Purpose and Output

13. The TA's main goal is to assist in achieving the MDGs, particularly in countries of the Asia-Pacific region that are currently at risk of not achieving the MDGs and where special efforts are necessary. It is envisaged that MDG reports II and III, and the background and supporting technical papers will raise awareness, lead to improved policies and institutions, and generate increased resources and capacities for attaining the MDGs.

14. The main outputs of the TA are (i) MDG report II (scheduled for completion by September 2005); (ii) MDG report III (scheduled for 2007); (iii) background and supporting technical papers; and (iv) dissemination of these reports and papers to appropriate audiences in DMCs so that greater awareness is created, and necessary action initiated by governments and all stakeholders for MDG attainment.

B. Methodology and Key Activities

15. ADB, UNESCAP, and UNDP will closely monitor the outputs and outcomes (paras. 19-20). The reports will be prepared mainly by staff and consultants of the three organizations and the wider UN system. Dissemination of the document and policy dialogue will be coordinated through the ADB resident missions and UN country offices, and an effective dissemination plan will be developed for this purpose. High-quality output will be ensured through close supervision of report preparation at every stage. This will help reduce the risk of mediocrity of outputs.

16. It is envisaged that MDG report II will tentatively cover the following areas (although a final outline will be drawn up only after the steering committee finalizes the matter):

- (i) Provide an overview of achievements in the Asia-Pacific region and identify countries for which special efforts are required and the main constraints in such "high risk" countries in meeting the MDG targets.
- (ii) Build a case for greater mobilization of financial resources to help DMCs achieve MDGs.
- (iii) Collate and coalesce knowledge outputs of different UN agencies focusing on the MDGs through a series of technical and background papers.
- (iv) Showcase selected knowledge products of ADB in which the institution has made distinctive contributions, e.g., regional cooperation, gender and development, poverty research, water management, rural infrastructure, and good governance,

- (v) Focus on some selected thematic or special issues (paras. 8-9).

C. Cost and Financing

17. The TA, which includes supporting the preparation of both MDG reports II and III and their dissemination, will cost around \$4 million. UNESCAP and UNDP are allocating \$1.5 million each. A total of \$1.0 million (spread over 3 TA phases of \$350,000 for phase 1 and \$325,000 for each of phases 2 and 3) is proposed from ADB. Part of the ADB contribution would be given to UNESCAP for their implementation of the project. ADB will implement several activities directly, including, contributions to chapters of the main report, the technical paper series, and dissemination activities. The three organizations are working out the details.

18. The present proposal is for phase 1 with a total cost of \$1.4 million, of which ADB would fund \$350,000 (of which an amount of \$200,000 will be given to UNESCAP for their implementation of the project) and a total of \$1.05 million would be funded by UNESCAP and UNDP. The TA will be financed on a grant basis by ADB's TA funding program. The detailed cost estimates and financing plan are in Appendix 2.

D. Implementation Arrangements

19. The TA is an important collaborative exercise among ADB, UNDP, and UNESCAP, which have all given their financial and staff resource commitments to ensure quality outputs. A formal cooperation arrangement will be entered into with UNESCAP and UNDP defining the roles and responsibilities of the partner agencies to ensure smooth implementation of the project. ADB will be the Executive Agency for the TA to be implemented by RSDD/RSPR, which will coordinate an interdepartmental effort for the purpose. UNESCAP will be mainly responsible for report preparation, although inputs from ADB and UNDP will also play a major role. A dissemination plan will be drawn up involving close coordination among ADB resident missions and UNDP country offices.

20. The first draft of the main MDG report II is expected by April 2005. A high-level steering committee is proposed comprising the ADB Vice President for Knowledge Management and Sustainable Development, UNESCAP Executive Secretary, and UNDP Assistant Administrator for East Asia and the Pacific. In addition, there will be an advisory panel on the reports comprising regional experts on MDGs. A working group consisting of representatives at the staff level from the three organizations will coordinate the preparation and ensure the quality of MDG reports II and III.

21. The phase I TA will engage 12 person-months of consulting services (6 person-months international, and 6 domestic) for the TA activities directly undertaken by ADB. The consultants to be hired by ADB will be development specialists with experience in the area of MDGs (Appendix 3). The consultants will be engaged individually in accordance with the *Guidelines on the Use of Consultants by the Asian Development Bank and Its Borrowers* and other arrangements satisfactory to ADB for engaging domestic consultants.

22. The TA is phase I of a cluster TA that will run for 4 years altogether in three phases of 15 months each. The main purpose of phase 1 will be to support the preparation of MDG report II and its dissemination. Phase I will run from 1 October 2004 until the end of 2005 (15 months). It is currently envisaged that Phase 2 will focus on dissemination activities of MDG report II, preparation of technical background papers, and preparatory activities for MDG report III. Phase

3 will focus mainly on MDG report III and its dissemination. However, the content of the later phases will be determined based on the needs and priorities indicated by the steering committee.

IV. THE PRESIDENT'S DECISION

23. The President, acting under the authority delegated by the Board, has approved the provision of technical assistance not exceeding the equivalent of \$350,000 on a grant basis for Supporting the Achievement of the Millennium Development Goals in the Asia-Pacific Region, and hereby reports this action to the Board.

TECHNICAL ASSISTANCE FRAMEWORK

Design Summary	Performance Indicators/Targets	Monitoring Mechanisms	Assumptions and Risks
<p>Goal</p> <p>Better achievement in MDG sectors, particularly in countries currently at risk</p>	<p>Improvement in MDG indicators from 2000 figures in all countries in the Asia-Pacific region by 2008, particularly in countries identified as at risk in the MDG II report.</p>	<p>MDG Indicators</p>	
<p>Purpose</p> <p>Promote greater awareness of MDGs, develop improved policies and institutions, and increase resources and capacities for MDG attainment.</p>	<p>Strategies to attain MDGs adopted by governments, and alignment of policies and institutions reflected in all national poverty reduction strategy documents by 2008</p> <p>Budgetary resources consistent with targets allocated by countries for MDGs by 2008</p>	<p>MDG country reports</p> <p>National poverty reduction strategy documents</p> <p>Country budgets</p>	<p>Assumption</p> <p>Countries strongly support MDG philosophy as reflected in their development documents, policies, and budgets.</p>
<p>Outputs</p> <p>MDG report II</p> <p>MDG report III</p> <p>Technical Papers</p> <p>Dissemination of reports and papers</p>	<p>All outputs completed based on schedule agreed on by ADB, UNDP, and UNESCAP, and of acceptable quality</p>	<p>Quality assessment by ADB</p> <p>Timeliness of publications assessed according to agreed-upon timetable</p> <p>Quality of dissemination assessed against dissemination plan and feedback from UNDP country offices and ADB resident missions</p>	<p>Assumption</p> <p>Staff resources are adequate for preparation of documents and dissemination.</p> <p>Risk</p> <p>External factors would cause delays in documents preparation.</p>
<p>Activities</p> <p>Steering Committee meetings</p>	<p>Activities to support outputs conducted on schedule</p>	<p>Back-to-office report of ADB TA implementation missions</p>	<p>Assumptions</p> <p>There is a good understanding of the overall exercise among ADB, UNDP, and UNESCAP.</p>

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Design Summary	Performance Indicators/Targets	Monitoring Mechanisms	Assumptions and Risks
<p>Advisory Committee reviews and meetings Working Group reviews and meetings</p> <p>Papers preparation</p> <p>Workshops and seminars for report preparation and dissemination</p>			<p>Workshops provide quality feedback and advice into the process.</p>
<p>Inputs ADB: Financial (\$350,000) and staff resources for report and paper preparation, review and dissemination</p> <p>UNDP: Financial (\$525,000) and staff resources for report and paper review and dissemination</p> <p>UNESCAP: Financial (\$525,000) and staff resources for report and paper preparation, review, publication and dissemination of documents</p>	<p>ADB and partners provide agreed-upon inputs to support activities and outputs.</p>	<p>Back-to-office reports of ADB TA implementation missions</p>	<p>Risks Financial inputs cannot be provided on time.</p> <p>Supervisory inputs would be insufficient to provide quality checks.</p>

ADB = Asian Development Bank, MDG = Millennium Development Goals, TA = technical assistance, UNDP = United Nations Development Programme, UNESCAP = United Nations Economic Commission for Asia and the Pacific.

COST ESTIMATES AND FINANCING PLAN
(\$'000)

Item	Total Cost
A. Asian Development Bank Financing^a	
1. Consultants	
a. Remuneration and Per Diem	
i. International Consultants	120.0
ii. Domestic Consultants	35.0
b. International and Local Travel	20.0
c. Reports and Communications	10.0
2. Training, Seminars, and Conferences	80.0
3. Miscellaneous Administration and Support Costs	50.0
4. Contingencies	35.0
Subtotal (A)	350.0
B. UNDP/UNESCAP Financing	
1. Office Accommodation and Transport	100.0
2. Remuneration and Per Diem of Counterpart Staff	850.0
3. Others	100.0
Subtotal (B)	1,050.0
Total	1,400.0

UNDP = United Nations Development Programme, UNESCAP = United Nations Economic Commission for Asia and the Pacific.

^a Financed by Asian Development Bank's technical assistance funding program.

Source: Asian Development Bank estimates.

OUTLINE TERMS OF REFERENCE FOR CONSULTANTS

1. The technical assistance will engage 12 person-months of consulting services (6 person-months international, and 6 domestic) for the TA activities directly undertaken by ADB.

1. **MDG Specialist** (international, 6 person-months)

2. The Millennium Development Goal (MDG) specialist will be an expert on development, particularly poverty reduction and MDGs, have considerable experience working on MDG-related issues and, have contributed to international journals in the areas. The task will be to contribute a chapter on strategies to achieve MDGs in countries currently considered at risk in MDG report II and to support the work of Poverty Reduction and Social Development Division (RSPR) in providing resources toward the MDG report II. Specifically this work will involve the following:

- (i) In close coordination with United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), United Nations Development Programme (UNDP), and Asian Development Bank (ADB) staff, prepare a chapter of about 15 pages long (with additional pages for appendixes) that broadly describes the current situation with respect to the MDG targets in specific countries, makes a thorough analysis of constraints, and provides clear recommendations on how to overcome them.
- (ii) Review concept notes, draft chapters, and technical papers prepared in support of MDG report II and give comprehensive comments to improve the quality of the final document.
- (iii) Participate in workshops and seminars undertaken as part of the MDG report II exercise and act as resource person if necessary.

2. **MDG Expert** (domestic, 6 person-months)

3. The MDG expert will have professional experience in development particularly poverty reduction and MDGs, have considerable experience with working on MDG-related issues, and have written contributions in the areas in internationally reputed publications. The task of the expert will be to support the work of the international consultant in each of the areas described below:

- (i) In close coordination with UNESCAP, UNDP, and ADB staff, prepare a chapter of about 15 pages long (with additional pages for appendixes) that broadly describes the current situation with respect to the MDG targets in specific countries, makes a thorough analysis of constraints, and provides clear recommendations on how to overcome them.
- (ii) Review concept notes, draft chapters and technical papers prepared in support of MDG report II and give comprehensive comments to improve the quality of the final document.
- (iii) Participate in workshops and seminars undertaken as part of the MDG report II exercise and act as resource person if necessary.