

TAR: PRC 38234

Technical Assistance to the
People's Republic of China for
Nongovernment Organization-
Government Partnerships in
Village-Level Poverty Alleviation
(Financed by the Poverty Reduction
Cooperation Fund)

April 2005

Asian Development Bank

CURRENCY EQUIVALENTS

(as of 15 February 2005)

Currency Unit	–	yuan (CNY)
CNY1.00	=	\$0.121
\$1.00	=	CNY8.28

ABBREVIATIONS

ADB	–	Asian Development Bank
CFPA	–	China Foundation for Poverty Alleviation
GTZ	–	Gesellschaft für Technische Zusammenarbeit
LGOP	–	State Council Leading Group Office of Poverty Alleviation and Development
M&E	–	monitoring and evaluation
MOA	–	Ministry of Agriculture
MOCA	–	Ministry of Civil Affairs
MOF	–	Ministry of Finance
MTR	–	midterm review
NDRC	–	National Development and Reform Commission
NGO	–	nongovernment organization
PA	–	poverty alleviation
PADO	–	Poverty Alleviation and Development Office
PRC	–	People's Republic of China
TA	–	technical assistance
TOT	–	training of trainers

TECHNICAL ASSISTANCE CLASSIFICATION

Targeting Classification	–	Targeted intervention
Sector	–	Multisector: health, nutrition, and social protection; law and public sector management
Subsectors	–	Social protection; public finance and expenditure management; and subnational government
Themes	–	Inclusive social development and governance
Subthemes	–	Other vulnerable groups; civil society participation; and public governance

NOTES

- (i) The fiscal year (FY) of the Government coincides with the calendar year.
- (ii) In this report, "\$" refers to US dollars.

This report was prepared by C. Spohr (team leader) and G. Wu.

I. INTRODUCTION

1. The People's Republic of China (PRC) has made remarkable progress in reducing poverty, cutting the number of people living in absolute poverty¹ from roughly 250 million in 1978 to an estimated 26.1 million in 2004. However, despite the Government's expanding efforts, persistent challenges remain and new ones have emerged. These include widening economic inequity, and a deceleration in poverty reduction.² In view of experience in other countries, the Government recognizes the potential of nongovernment organizations (NGOs) as a partner in state-supported poverty alleviation (PA) efforts. The Government has requested technical assistance (TA) from the Asian Development Bank (ADB) to tap this potential.

2. A concept paper for TA on NGO participation in village-level PA planning was included in ADB's country strategy and program update 2005–2007 for the PRC. While the analysis and policy recommendations generated by the TA will extend to the national level, Jiangxi Province was selected to host the pilot test. Jiangxi has (i) strong support and capacity for policy experimentation by the Jiangxi Province Poverty Alleviation and Development Office (PADO) and other key bureaus; (ii) persistent pockets of poverty, despite provincial economic growth; and (iii) scope for links to complementary initiatives.³ Following talks with the State Council Leading Group Office of Poverty Alleviation and Development (LGOP), the Ministry of Finance (MOF), China Foundation for Poverty Alleviation (CFPA), leading scholars, and international organizations, ADB clarified the context and priorities for its support during site visits and discussions in Jiangxi (8–12 November 2004). Agreements on the TA's goal, objective, scope, implementation arrangements, cost and financing arrangements, and consultant terms of reference were finalized during follow-up dialogue. The TA framework is in Appendix 1.⁴

II. ISSUES

3. State-funded direct PA interventions in the PRC have consisted principally of budgetary grants for local PA projects, and subsidized loans for poor households and communities.⁵ The latter have involved some variation in models and actors at the periphery of government, namely the Agricultural Bank of China and rural credit cooperatives. However, state-funded PA projects rely almost solely on local government planning, administration, implementation, and monitoring and evaluation (M&E). Meanwhile, evidence suggests that the efficacy of growing resources devoted to PA projects (and also subsidized lending) is declining.⁶ This reflects, in part, the shifting nature of poverty in the PRC. Better targeted, innovative, and new approaches are needed to simultaneously address (i) persistent absolute poverty, which increasingly is concentrated in remote communities and hard-to-reach groups, such as the elderly and disabled; and (ii) the vulnerability of a much larger low-income population⁷ living at the brink of poverty.

4. In light of this, and building on research and policy dialogue supported by ADB and other development partners, the Government has moved to adopt multidimensional definitions of poverty and participatory, village-level PA planning. However, gaps remain in implementation

¹ This figure refers to the official annual per capita income line of CNY627.

² Recorded poverty incidence rose marginally between 2002 and 2003, before an apparent drop in 2004.

³ These include experimentation in streamlining funding from provincial to county governments, and a Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) project on participatory poverty reduction monitoring.

⁴ The TA first appeared in the *ADB Business Opportunities* (Internet edition) on 2 September 2004.

⁵ In 2003, the central Government funded nearly CNY12.0 billion in grants to PA projects and more than CNY18.0 billion in subsidized loans. In practice, the latter often are directed to lower-risk productive projects.

⁶ ADB. 2003. *Technical Assistance to the People's Republic of China for Policy Study on Poverty Reduction Strategy: Trends, Challenges, and Future Directions*. Manila. The final report calls for greater NGO involvement in PA work.

⁷ In 2002, 58.3 million people were living on per capita income above the austere official poverty line of CNY627, but below the low-income threshold of CNY869 (roughly equivalent to the international \$1 per day standard).

and efficacy. The Government recognizes that PA efforts also are undercut by institutional issues, such as (i) poor targeting of funds; (ii) lack of transparency and, in some cases, misallocation of funds; and (iii) weak capacities and/or incentives to adopt new approaches. LGOP sees NGO participation in areas such as project design, management, and/or M&E as key to addressing systemic flaws. However, under current laws,⁸ only better-resourced NGOs can be engaged; and they are restricted to specific areas, such as limited microcredit. Thus, the TA responds to the Government's need for a breakthrough in project-based PA by designing and demonstrating modalities for NGO-government partnership, and proposing supportive reforms.⁹ It also builds on and complements ADB TA exploring new models for rural microfinance¹⁰ and alternative rural livelihoods.¹¹ Finally, the TA's M&E component will link to related GTZ work in Jiangxi, and to ADB-World Bank dialogue on assessing poverty in the PRC.

III. THE TECHNICAL ASSISTANCE

A. Impact and Outcome

5. To promote rural poverty reduction, with NGOs mainstreamed within more effective, efficient, and well-targeted PA programs throughout the PRC, the TA's objective is formulating and demonstrating replicable models and mechanisms for NGO participation in government-funded village-level PA efforts. More specifically, the TA will formulate, and build consensus behind, a comprehensive framework for mainstreaming NGOs into national PA efforts. Four major groups of outputs will contribute to this objective:

- (i) **Context analysis, mechanism design, and framework formulation.** Consensus will be reached on a comprehensive framework for NGO-government partnerships in reducing poverty, incorporating demonstrated models and mechanisms, and concrete recommendations for institutional and policy reform;
- (ii) **Capacity building for NGO-government partnership.** Key capacities will be built among local officials for cooperation with NGOs in village PA work; a framework for capacity building of local NGOs will be designed, and a program initiated; and guidelines and core materials will be disseminated to support post-TA replication;
- (iii) **Pilot test support and implementation.** NGO capacities for participating in PA efforts will be built, and a successful pilot test completed, with new mechanisms proven viable in 18 pilot and four hybrid model villages by the end of the TA; and
- (iv) **External M&E.** Objective and externally credible assessment will be completed on the efficacy and impact of NGO-implemented projects, including quantitative and qualitative dimensions, as well as comparisons to government-implemented PA projects in small control and hybrid samples of villages.

B. Methodology and Key Activities

6. Appendix 2 details the four components outlined in paras. 7–13.

7. **Component 1.** A rapid assessment will cover parallel macro-level and local profile studies, identifying key issues (e.g., institutional and capacity-related barriers) that could affect the TA. It will include a broad review of research and relevant initiatives, plus dialogue with national and local government agencies, NGOs, and other domestic and international entities.

⁸ Restrictions include mandatory registration with government sponsorship, and prohibition of the use of budgetary PA funds for staffing and overhead costs.

⁹ This is consistent with the emphasis on building NGO capacity and strengthening government-NGO cooperation in ADB. 2003. *ADB-Government-NGO cooperation in a Framework for Action. 2003-2005*. Manila.

¹⁰ ADB. 2004. *Technical Assistance to the People's Republic of China for Rural Finance Reforms and Development of Microfinance Institutions*. Manila.

¹¹ ADB. 2004. *Technical Assistance to the People's Republic of China for the Rural Income and Sustainable Development Project*. Manila. The project foresees some NGO involvement in providing microcredit.

The findings will inform design refinements for the two-phase pilot test, which will be finalized after the technical report review workshop. The pilot test will divide selected poor villages¹² into three representative sub-samples to allow comparison of three models for PA projects by

- (i) conventional government channels, in four control sample villages;
- (ii) NGOs, planning and conducting PA work in 18 pilot villages (six in Phase 1)—tentatively, one village per pilot county will be set aside for a sub-pilot, wherein ability to provide microfinance¹³ will be a criterion for NGO selection; and
- (iii) government, with NGOs contracted to support project design and implementation by conducting periodic participatory assessments, in four hybrid model villages.

8. The technical report also will propose specific mechanisms and procedures for the pilot test, including solicitation and selection of NGO proposals, transparent fund flows, and reporting. Later in the TA, this component will focus on the formulation of policy and institutional reforms, with major forums to review interim and final report findings and to build consensus.

9. **Component 2.** Building on the findings of the local profile study, a detailed assessment of capacity gaps in local governments and NGOs (including CFPA) vis-à-vis the roles foreseen for them under the pilot test will guide the design of multiphase and multimode capacity building programs. Complementary programs will target (i) local officials, giving phased support before and during the pilot test; and (ii) local NGOs, with program co-design, initiation, and turnover to CFPA (component 3) after training of trainers (TOT). Two international study visits, and applied follow-up activities, tentatively will cover modalities for involving NGOs in local PA efforts; and macro-level policy and institutions.¹⁴ Finally, to facilitate post-TA replication of proven elements in Jiangxi and other provinces, this component will include curriculum design, and production and dissemination of core resource materials to support future capacity building programs. Materials on supporting local NGOs in PA work will be provided to potential apex NGOs, while materials on coordinating NGO participation in PA efforts will be given to provincial governments.

10. **Component 3.** Following TOT and iterative co-design of core materials in component 2, CFPA will provide multistage capacity building and informal support to NGOs under the pilot test. CFPA also will administer pilot test processes, supervised by Jiangxi PADO (para. 16).

11. **Component 4.** For implementing policy research embedded in the pilot test design, external M&E will provide cross-sectional and time-series comparisons of pilot, control, and hybrid sample villages. Shared data from a common, expanded baseline study will ensure external M&E is consistent with, and complements, the verification of inputs and physical outputs by local governments and CFPA during the pilot test. Findings of biannual M&E circuits and detailed case studies will be reviewed at workshops, including mid-stage and final pilot assessment workshops in Jiangxi. These findings will feed into national policy dialogue under component 1. Late in implementation, the TA will support a final capacity building and skill transfer program for PADO, CFPA, and other relevant stakeholders on maintaining a simplified M&E system to capture key longer-term impacts in pilot villages. This will include a self-contained toolkit of print and multimedia tools, which will be incorporated into core resource materials disseminated in component 2. The TA also will support the formulation of a framework for M&E appropriate to NGO participation in PA activities, with clear articulation of roles across actors, and guidelines to establish a minimalist management information system. The aim of

¹² Subject to adjustments that ADB and LGOP agree upon, by phase 2, the pilot test will cover 26 poor villages in three nationally-designated key working counties for poverty alleviation and development in Jiangxi.

¹³ This might include ability to access subsidized loans.

¹⁴ For the two visits, the TA will fund five officials from LGOP, PADO, CFPA, and Jiangxi bureaus critical to the pilot test; and 3–4 central Government decision makers. LGOP and PADO may seek funds to expand participation.

these measures is to sustain tracking of the Jiangxi pilot after TA completion, and to ensure post-project replication of effective M&E approaches.

12. As the TA's central deliverable, the final report (under component 1) will incorporate TA research (including international experience), quantitative and qualitative findings from M&E, and other lessons learned from the pilot test outcomes and processes (e.g., capacity building). It also will reflect the workshops and broader policy dialogue, consultation, and consensus building among key stakeholders at the national level and lower administrative levels in Jiangxi throughout the TA. The report will document and disseminate to key policymakers proven modalities for partnership with NGOs to enhance targeting, efficacy, and efficiency of public resources devoted to PA projects. Its main annex will be a comprehensive framework for strategy and reform, including concrete recommendations on key aspects, such as

- (i) a clear articulation of roles of governments and NGOs at various levels, based on comparative advantage;
- (ii) resource mobilization and viable, sustainable modalities for PA program design, coordination, implementation, and M&E (tracking from input delivery to impact);
- (iii) policy, finance, regulatory, and institutional reform to support post-TA replication and advance NGO-government partnership more broadly in PA efforts; and
- (iv) capacity building programs to address priority human resource gaps.

13. To reinforce government ownership and ensure transparency, studies and information on NGO selection, fund flows, and other aspects of the pilot test will be disseminated widely, including via Internet, workshops involving multiple stakeholders, and informal consultations.

C. Cost and Financing

14. The cost of the TA is estimated at \$2,100,000 equivalent, comprising \$285,000 in foreign exchange cost and \$1,815,000 equivalent in local currency cost. The Government has requested that ADB finance \$1,000,000 equivalent, covering the entire foreign exchange cost and \$715,000 equivalent of the local currency cost. The Poverty Reduction Cooperation Fund will finance the TA through a grant, which ADB will administer. CFPA will finance \$100,000 equivalent, largely through staff time and allowances, travel (excluding a TA-financed portion), and logistical and administration costs. The Government will finance the remaining local currency cost, equivalent to \$1,000,000, by providing counterpart staff and allowances, office accommodation (with basic supplies), venues for training and meetings, administrative support and certain local transport, and budgetary PA funds during the pilot test. Detailed cost estimates and the financing plan are in Appendix 3.

D. Implementation Arrangements

15. The TA will be implemented from April 2005 to October 2007. LGOP will be the Executing Agency. Reporting to LGOP, Jiangxi PADO will oversee day-to-day implementation, guiding the consultants and CFPA (paras. 16–17). Jiangxi PADO also will facilitate analysis, local policy dialogue, and pilot test implementation, including coordination across bureaus and levels. Through Jiangxi PADO, as appropriate, LGOP will ensure (i) timely provision of agreed government counterpart inputs; (ii) administration of a portion of TA funds;¹⁵ and (iii) cross-agency coordination, including facilitating access to government data, communication channels, and other information resources. Later, LGOP will spearhead advocacy and intra-government consultation to promote post-TA replication of successfully piloted elements and broader reform.

¹⁵ This includes procurement of equipment and initial supplies for a project office provided by Jiangxi PADO, certain workshops, and other activities agreed by ADB, and resource persons for workshops and review of key reports.

A central-level Policy Review Group¹⁶ will facilitate interagency coordination and review TA findings at key junctures to help ensure accuracy and policy relevance. The group also will promote broad support by key agencies for the actualization of final recommendations on policy, strategy, and reforms. Jiangxi PADO will chair the Provincial Coordination Group¹⁷ to support pilot test preparation and implementation, and to facilitate policy dialogue and sharing of lessons.

16. LGOP has appointed CFPA to oversee implementation of the pilot test under component 3. CFPA's qualifications include a strong track record of PA work in Jiangxi and a relationship with Jiangxi PADO. It also has proven capacity in direct project implementation (ranging from microfinance to education and health); and capacity building for, and oversight of, local NGOs in PA work. CFPA will report to LGOP and act as liaison for ADB, as needed. Under support and supervision from central CFPA, the Jiangxi chapter of CFPA will act as the Implementing Agency for component 3, and will report jointly to PADO. It will have principal responsibility for implementing a capacity building program for NGOs, co-designed and jointly initiated with the consultant firm (para. 17). The Jiangxi chapter of CFPA also will administer funds for village PA projects under the pilot test, including budgetary PA funds in pilot villages and ADB counterpart funds for NGO overhead costs in pilot and hybrid villages, fully and transparently channeled to selected NGOs. PADO will authorize CFPA to coordinate competitive proposal submissions by eligible NGOs, and other procedures formulated under component 1 that LGOP and ADB agree to. After CFPA compiles and reviews them, PADO will select NGOs for ADB's endorsement on a no objection basis, based on summary documents validating the process and selection criteria. To facilitate implementation, ADB will establish an advance payment facility for use by LGOP, Jiangxi PADO, and Jiangxi CFPA, in accordance with ADB's *Guidelines for Disbursement of Technical Assistance Grants* and terms noted in letters establishing the facility.

17. In accordance with the *Guidelines on the Use of Consultants by Asian Development Bank and Its Borrowers* and other arrangements satisfactory to ADB for the engagement of domestic consultants, ADB will recruit individual consultants and two sub-teams of consultants through a firm. The terms of reference (Appendix 4) outlines tasks and reporting requirements. Five individual consultants—one international (for 2.5 person-months) and four domestic (18 person-months)—will take lead responsibility for component 1, including analysis, policy studies, and pilot test design. Using the biodata technical proposal format and quality and cost-based selection, ADB will engage a consultant firm to mobilize two sub-teams.¹⁸ Component 2 will require one international consultant (2.5 person-months) and three domestic consultants (14 person-months) to provide capacity building for local governments. Consultants under component 2 also will collaborate with (and provide TOT for) CFPA to design and launch capacity building for NGOs, as an input to component 3. One international consultant (1.5 person-months) and three domestic consultants (8 person-months) will conduct external M&E and final skill transfer for component 4.

IV. THE PRESIDENT'S DECISION

18. The President, acting under the authority delegated by the Board, has approved ADB administering technical assistance not exceeding the equivalent of \$1,000,000 to the Government of the People's Republic of China to be financed on a grant basis by the Poverty Reduction Cooperation Fund for Nongovernment Organization-Government Partnerships in Village-Level Poverty Alleviation, and hereby reports this action to the Board.

¹⁶ Chaired by LGOP, the group tentatively will consist of representatives of MOF (providing the vice chair), Ministry of Civil Affairs (MOCA), National Development and Reform Commission (NDRC), and Ministry of Agriculture (MOA).

¹⁷ This tentatively will include representatives of (i) provincial bureaus under MOF, MOCA, NDRC, and MOA; (ii) Jiangxi CFPA; and (iii) each pilot county government (four seats, including from PADO and the finance bureau).

¹⁸ Sub-teams will operate independently after the baseline study, and will mobilize local resource persons as needed.

DESIGN AND MONITORING FRAMEWORK

Design Summary	Performance Indicators and Targets	Data Sources and Reporting Mechanisms	Assumptions and Risks
<p>Impact</p> <p>Rural poverty reduced, with nongovernment organizations (NGOs) mainstreamed within more effective, efficient, and well-targeted poverty alleviation (PA) programs nationwide.</p>	<p>By 2010:</p> <ul style="list-style-type: none"> • Number of absolute rural poor in the People's Republic of China (PRC) falls from 26 million to less than 20 million; • Legislation, policy, and strategy in place, regularizing NGO role in publicly funded PA efforts. • NGOs effectively involved in government-funded PA work in at least 20% of poverty villages nationwide. 	<p>National poverty incidence figures.</p> <p>Tracking of policy reform and disaggregated figures for PA budgeting, including funds channeled through NGOs.</p> <p>Monitoring and evaluation (M&E) and other mechanisms to be institutionalized after pilot test under the technical assistance (TA); international assessments of NGO capacity.</p>	<p>Assumptions</p> <ul style="list-style-type: none"> • Steady government support for participatory PA strategies, and acceptance of new role proposed by TA; • Resources identified. <p>Risks</p> <ul style="list-style-type: none"> • Breakdown of coordination across actors and initiatives; • Difficulty comparing NGO- and government-implemented projects.
<p>Outcome</p> <p>Replicable models and mechanisms for NGO participation in government-funded, village-level PA efforts formulated and demonstrated.</p>	<p>Consensus on a comprehensive policy and institutional reform framework for mainstreaming NGOs' role in national PA work, with clear definition of roles; report incorporating analysis and pilot test M&E finalized in October 2007.</p> <p>Fund utilization transparent.</p> <p>Government views model successful in reducing poverty in at least 10 pilot villages.</p> <p>Guidelines and core materials dissemination to identified champions support post-TA replication.</p>	<p>Biannual progress reports for each component and findings from M&E. TA-developed mechanisms for internal verification by government and China Foundation for Poverty Alleviation (CFPA).</p> <p>Workshop review of draft study reports and pilot test design in technical report; multi-stakeholder dialogue; consultants and the Asian Development Bank (ADB) observe national and provincial policy dialogue and media coverage.</p>	<p>Assumptions</p> <ul style="list-style-type: none"> • Coordination across consultants, CFPA, officials, and partners at various levels; • Accurate assessment of government and NGO capacities, and needs-targeting of support; • CFPA effectively supports local NGOs; • Pilot scheme and consultants trusted, officials cooperate, and villagers participate. <p>Risks</p> <ul style="list-style-type: none"> • Obstacles to accessing accurate information; • Budgetary PA funding is secure, but staff shifts could undercut support for its use in NGO-implemented work; • M&E perceived as not objective and credible.
<p>Outputs</p> <p>Component 1: Analysis, design, and framework Consensus reached on comprehensive framework</p>	<p>Individual consultants build sequential dialogue around main reports:</p> <ul style="list-style-type: none"> • Rapid assessment report 	<p>ADB and State Council Leading Group on Poverty Alleviation and Development (LGOP) screening of drafts,</p>	<p>Assumptions</p> <ul style="list-style-type: none"> • Timely ADB endorsement of NGO selection. <p>Risks</p>

Design Summary	Performance Indicators and Targets	Data Sources and Reporting Mechanisms	Assumptions and Risks
<p>for NGO-government partnerships in reducing poverty, incorporating demonstrated models and mechanisms and concrete recommendations for institutional and policy reform.</p> <p>Component 2: Capacity building for NGO-government partnership</p> <p>a. Framework developed and capacity building program initiated for local NGOs;</p> <p>b. Key capacities built among local governments for effective cooperation with NGOs in village PA work; and</p> <p>c. Framework and curricular guidelines developed and core resource materials disseminated to support post-TA replication.</p> <p>Component 3: Pilot Test NGO capacities for participation in PA efforts built, and successful pilot test completed, with new mechanisms proven viable in 18 pilot and four hybrid model villages by the end of project.</p>	<p>finalized by mid-May 2005;</p> <ul style="list-style-type: none"> • Technical report finalized by end July 2005; • Interim report finalized by the end of May 2006; and • Final report reflecting consensus behind proposed reforms finalized by the end of October 2007. <p>Consultant firm sub-team 1 completes:</p> <ul style="list-style-type: none"> • Framework (in dialogue with CFPA) by mid-September 2005; final materials augmentation in May 2006; • Program design agreed by the end of October 2005; • Resource kits for NGO and government capacity building programs disseminated to champions by September 2007. <p>NGO-implemented village PA projects successfully launched:</p> <ul style="list-style-type: none"> • 6 phase 1 villages—by the end of 2005; • at least 12 phase 2 villages—by the end of August 2006. <p>NGOs support PA projects in four hybrid model villages—by the end of 2005.</p> <p>Fund utilization transparent; village projects completed by September 2007.</p>	<p>with review and discussion of policy implications via major workshops.</p> <p>Consultant progress reports and work plan proposal.</p> <p>CFPA feedback in iterative development via training of trainers (TOT) and co-implementation of first session. Internal verification and external M&E track final NGO implementation.</p> <p>Individual consultants' close dialogue with Poverty Alleviation and Development Office (PADO) and local agencies; external M&E.</p> <p>Review of draft materials.</p> <p>CFPA progress reports and activity proposals to ADB.</p> <p>ADB endorsement of NGOs selected by PADO using TA-designed mechanisms. NGO reporting; internal verification and external M&E.</p>	<ul style="list-style-type: none"> • Breakdown of dialogue and coordination; • Misaligned timing of key activities across components; • Difficulty meeting ADB reporting and accounting requirements.

Design Summary	Performance Indicators and Targets	Data Sources and Reporting Mechanisms	Assumptions and Risks
<p>Component 4: External M&E Objective and externally credible assessment completed on the efficacy and impact of NGO-implemented projects, including quantitative and qualitative dimensions, as well as comparisons to government-implemented PA projects in small control and hybrid samples of villages.</p>	<p>Pilot outcomes and processes documented (including comparisons to four control and four hybrid villages) and disseminated; main reports at the end of April and early December 2006, and October 2007.</p>	<p>Multiparty review of baseline study design; consultant reports.</p>	
Activities			Inputs
<p>General TA Administration</p> <p>Component 1: Individual consultants plan and implementation:</p> <p>Workshops:</p> <p>1.1. Inception workshop in Jiangxi</p> <ul style="list-style-type: none"> • TA launch and raised awareness—by mid-May 2005 <p>1.2. Workshop to review draft technical report</p> <ul style="list-style-type: none"> • Review of draft design for pilot—by mid-July 2005 <p>1.3. National Interim Forum on NGO-Government Partnerships in Village-Level PA</p> <ul style="list-style-type: none"> • Policy forum, report review, and climax of midterm review (MTR)—early May 2006; <p>1.4. International Forum on Strategies and Policy</p> <ul style="list-style-type: none"> • Consensus reached on comprehensive framework—late October 2007; 			<ul style="list-style-type: none"> • Biannual progress reports for each component (by consultant group and sub-teams, and CFPA); • ADB discussion with stakeholders, review of work plans and activity proposals from LGOP, PADO, and CFPA <p>Component 1: Individual consultants:</p> <ul style="list-style-type: none"> • 2.5 international and 18 domestic person-months; • Additional resource persons (e.g., external review). <p>Equipment: Basic equipment for PADO-provided office for consultant and CFPA use</p>

Activities	Inputs
<p>Component 2: Sub-team 1 consultants plan and implementation:</p> <p>Capacity building—framework agreed by mid-September 2005 for programs for NGOs and governments:</p> <p>2a.1. TOT program for CFPA, and materials development for NGO capacity building</p> <ul style="list-style-type: none"> • Initial session—by mid-October 2005; • Joint material refinement and turnover—by the end of 2005; • Joint review, follow-up TOT and core material refinement—by May 2006; <p>2a.2. Post-selection training for phase 1 NGOs (jointly with CFPA):</p> <ul style="list-style-type: none"> • Strengthened core implementation capacities—by mid-December 2005; <p>2b.1. Pre-pilot training to local governments:</p> <ul style="list-style-type: none"> • Phase 1 localities—by mid-November 2005; • Phase 2 localities—by the end of August 2006; <p>2b.2. Periodic multi-mode program for governments involved in phases 1 and 2:</p> <ul style="list-style-type: none"> • Tailored program with at least three formal sessions in 2006 and one in 2007; materials dissemination and flexible support <p>2b.3. International study visits, with follow-up subprograms, on local models, and policy and institutions:</p> <ul style="list-style-type: none"> • Tours (8–10 days) completed by at least 5 Jiangxi officials—January 2006; and 3–4 key decision-makers and actors—July 2006; <p>Other workshops:</p> <p>2b.4. PADO-chaired orientation workshop for local governments (phase 1):</p> <ul style="list-style-type: none"> • Key local agencies clear on pilot scope and roles—late August 2005; <p>Other activities:</p> <p>2c.1. Dialogue-based curriculum and materials design for post-TA replication:</p> <ul style="list-style-type: none"> • Dissemination to identified apex NGOs and local governments—September 2007 <p>Component 3: Capacity building for NGOs—building on post-selection training and materials, CFPA carries out:</p> <p>3.1. Mid-implementation strengthening—by mid-March 2006;</p> <p>3.2. Tailored program of follow-up training and support—by January 2007;</p> <p>3.3. Post-selection training and subsequent stages for phase 2 NGOs—August and October 2006, and March 2007;</p> <p>Other Workshops:</p> <p>3.4. PADO-hosted orientation for NGOs and initial screening:</p> <ul style="list-style-type: none"> • NGOs briefed on pilot procedures; initial training and screening—early September 2005 (phase 1); late May 2006 (phase 2); <p>3.5. Jiangxi Interim Workshop on NGO-Government Partnerships in PA:</p> <ul style="list-style-type: none"> • Stakeholder dialogue on phase 1 lessons—late April 2006 (MTR start); 	<p>Component 2: Sub-team 1 consultants:</p> <ul style="list-style-type: none"> • 2.5 international and 14 domestic person-months; • Additional local trainers; <p>Component 3: TA support to CFPA</p> <ul style="list-style-type: none"> • \$70,000 for agreed non-staff expenditures; • Core materials from component 2; <p>Funding for NGO operating costs in pilot test villages</p> <ul style="list-style-type: none"> • \$110,000 funding from TA;

Activities	Inputs
<p>Component 4: Sub-team 2 consultants plan and implement:</p> <p>Capacity building: 4.1. Skill transfer program for local governments and CFPA on M&E:</p> <ul style="list-style-type: none"> • Joint development of framework defining clear roles; early draft of core materials (feeds into 2c.1)—August 2007. <p>Other Workshops: 4.2. Jiangxi Pilot Midterm Assessment Workshop (initiates MTR):</p> <ul style="list-style-type: none"> • Reviews findings of M&E in early December 2006 and early October 2007, feeding into the two Beijing Forums. <p>Other Activities: 4.3. M&E circuits and case studies:</p> <ul style="list-style-type: none"> • Five M&E circuits completed by mid-October 2005 (baseline) and early April and October 2006 and 2007; • Four village case studies 	<p>Component 4: Sub-team 2 consultants</p> <ul style="list-style-type: none"> • 1.5 international and 8 domestic person-months; • Local information collection corps.

Country Director, PRCM _____

Director General, ECRD _____

DETAILED COMPONENT DESCRIPTIONS

A. Context Analysis, Mechanism Design, and Framework Formulation

1. The group of individual consultants will take principal responsibility for implementing the component. The group leader also will mobilize and coordinate additional resource persons as needed to facilitate workshops, review of draft reports, and provide other focused expert inputs. The principal output will be a consensus on a comprehensive framework for nongovernment organization (NGO)-government partnerships in reducing poverty, incorporating demonstrated models and mechanisms as well as concrete recommendations for institutional and policy reform.

2. **Activity Area 1.1.** As a foundation for design of the pilot test (particularly identifying issues and potential obstacles), the consultants' rapid assessment report will document conclusions of the inception workshop (in Jiangxi) and the initial findings of two studies (to be finalized in the interim report):

- (i) a macro-level study assessing
 - (a) relevant legislation, regulation, policies, and planning at the national level and within Jiangxi, with particular focus on implications for the potential role of NGOs¹;
 - (b) institutional aspects of government-administered poverty reduction efforts, and evaluation of efficacy and efficiency, including intra-agency coordination mechanisms, and indicative assessment of the capacities of governments to shift to facilitation and oversight of NGO-implemented programs;
 - (c) status of NGO involvement in poverty-related areas in the PRC, and institutional and capacity-related issues;
 - (d) monitoring and evaluation (M&E) systems, mechanisms, and indicators (including those developed by international agencies active in this area) covering
 - i. government-administered programs, capturing investment and/or inputs, implementation, and impacts; and
 - ii. similar aspects of NGO-implemented, poverty-related activities; and
- (ii) a local profile study, conducted in close dialogue with the China Foundation for Poverty Alleviation (CFPA), which
 - (a) characterizes poverty in Jiangxi (including underlying causes, manifestations, and existing programs to address it), starting with a focused study of the three target counties, and incorporating findings into the selection of pilot, control, and hybrid sample villages (main text, para. 10);
 - (b) provides an inventory of local and external NGOs active in social protection and social development at different levels within Jiangxi, assessing their overall status and capacities, and a gap analysis vis-à-vis competencies required to implement publicly funded poverty reduction programs;
 - (c) assesses the preparedness of local governments to cooperate with NGOs in local poverty alleviation (PA) efforts, and identifies potential obstacles for the pilot test.

¹ The TA will focus principally, but not exclusively, on the role of government-recognized NGOs. The term NGO is used broadly to include registered NGOs, as well as all other nongovernment actors, such as academic institutions, other *shiyedanwei* (state-sponsored institutions), and private sector entities.

3. The local profile study and follow-up work under component 2 will be critical, given the varying capacity levels of NGOs likely to participate in the pilot test. In addition, cooperation with local governments has been largely ad hoc, without any funding transfers.
4. The rapid assessment will guide village selection for the pilot test. Based on interim findings, two pilot townships will be selected within each of the three pilot counties by the end of May 2005. Based on discussion of report findings by mid-June 2005, ADB and LGOP will select the following from among representative poverty villages within each pilot township:
- (i) one phase 1 pilot village (totaling six);
 - (ii) one control sample and/or hybrid model village (totaling four of each; component 3); and
 - (iii) two villages per pilot township (totaling 12) to receive PA funds as pilot villages during phase 2.
5. **Activity Area 1.2.** In view of international models and experience, and their relevance to the local and national context, the consultants' technical report will provide a detailed draft design for the pilot test. The report also will be based on dialogue with the State Council Leading Group Office of Poverty Alleviation and Development (LGOP), Jiangxi Poverty Alleviation and Development Office (PADO), CFPA, and other key stakeholders.
6. The pilot test will have two phases:
- (i) **Phase 1:** By the end of 2005, Jiangxi PADO will authorize the simultaneous release of PA funds for six phase 1 pilot villages, and for control and hybrid sample villages (four each), to allow clean comparisons across three models. The village PA projects will be implemented by
 - (a) traditional government channels in the four control villages;
 - (b) NGOs in six pilot villages, with CFPA providing administration of PADO funds and oversight; and
 - (c) government, with NGOs contracted to carry out participatory needs assessment and mid-project consultation, to support project design and implementation in four hybrid model villages.
 - (ii) **Phase 2:** Initial disbursement under phase 2 is estimated to start in August 2006, which will allow findings from the first M&E midyear circuit to guide critical adjustments in pilot test operating mechanisms, capacity building, and other approaches prior to scaling up the pilot. Starting in August 2006, 18 pilot villages will be active in the pilot. Tentatively, three of these villages (one per pilot county) will be set aside for a sub-pilot, wherein ability to provide microfinance² will be a criterion for NGO selection. PA projects in pilot, control, and hybrid villages will continue through September 2007 (near project end).
7. Finalized after workshop review, the report will reflect the agreement with CFPA and governments at various levels on a clear delineation of roles and consistency of functions. It will include clear systems and mechanisms for
- (i) screening (including proposed criteria) and prequalifying candidate NGOs;
 - (ii) preparing proposals (including guidelines for NGO-community consultation), and transparently reviewing applications;
 - (iii) governing and accounting for flows of budgetary PA funds;

² This might include ability to access subsidized loans. In the longer term, NGO access to PA funds is expected to lower the barrier posed by collateral requirements.

- (iv) ensuring appropriate local contribution and participation (from township governments to members of the community);
- (v) disseminating information to, and consulting with, stakeholders throughout the process; and
- (vi) internal tracking to account for resource inputs and physical outputs, including
 - (a) reporting requirements for selected NGOs and other actors, and
 - (b) verification roles for local governments and CFPA in verifying resource inputs and physical outputs.

8. Consistent with the pilot test research design, the designs for internal tracking will emphasize consistency and complementarity. The external M&E consultant will collect more qualitative evidence. Internal tracking and external M&E collectively will aim to

- (i) ensure effective fund use and realization of PA objectives during the pilot test, and
- (ii) generate policy-relevant and externally credible evidence as the basis for the final report (see para. 12 of main text).

9. **Activity Area 1.3.** Building on preliminary analysis conducted during the rapid assessment, the final findings of the macro-level and local profile studies will be incorporated into the consultants' interim report on policy and institutional reforms. This interim report will be finalized following review at the National Interim Forum on NGO-Government Partnerships in Village-Level Poverty Alleviation. The Forum will be chaired by LGOP and will comprise the key point of the midterm review (MTR).

10. **Activity Area 1.4.** The LGOP-chaired International Forum on Strategies and Policy for NGO-Government Partnerships in Poverty Alleviation will review and reach agreement on the TA's report. To finalize the report, the TA will draw on research and international experience (especially on models and supportive reform), as well as lessons learned from the pilot test, including outcomes and processes. It also will incorporate the workshops and broader policy dialogue, consultation, and consensus building among key stakeholders at the national level and lower administrative levels within Jiangxi throughout the TA. The report will document and disseminate to key policymakers proven models and mechanisms to enhance the targeting, efficacy, and efficiency of public resources for poverty reduction through NGO participation in village-level poverty reduction planning and implementation. A major annex will provide a comprehensive framework for strategy and reform, including concrete recommendations on key aspects surrounding NGO participation in poverty reduction, such as

- (i) a clear articulation of roles between governments and NGOs at various levels, based on comparative advantage;
- (ii) resource mobilization and viable, sustainable models and mechanisms for project and/or program design, coordination, implementation, and M&E, including identifying roles and key elements of comprehensive M&E approaches to capture the performance of public funds allocated to PA (tracking from input delivery to ultimate impact) under government- and NGO-implemented programs;
- (iii) policy, regulatory, and institutional reforms to support replication of successfully piloted approaches and, more broadly, to improve NGO-government partnerships in poverty reduction; and
- (iv) capacity building programs to address identified priorities related to human resource gaps.

B. Capacity Building for NGO-Government Partnership

11. Sub-team 1 of the firm-based consultant team will take principal responsibility for implementing the component. The team will mobilize and coordinate local resource persons, as

needed, for training sessions. The principal outputs will be (i) development of key capacities among local governments for effective cooperation with NGOs in village PA work, (ii) design of a framework for capacity building for local NGOs (and initiation of the program), and (iii) dissemination of guidelines and core resource materials to support post-TA replication of NGO and government capacity building.

12. **Activity Area 2.1.** Building on parts (b-c) of the local profile study, the firm will complete an in-depth assessment of capacities and gaps³ among

- (i) provincial and local governments in target areas;
- (ii) NGOs active in relevant areas at different levels within Jiangxi; and
- (iii) CFPA.

13. **Activity Area 2.2.** In close dialogue with CFPA, the sub-team will formulate a framework for and jointly initiate with CFPA a capacity building program for NGOs, covering a spectrum of competencies needed for various stages and tasks under the pilot test:

- (i) Design and agreement with CFPA on a framework for NGO capacity building and training of trainers (TOT) program for CFPA, which (following joint post-selection training) will take principal responsibility for capacity building and support to NGOs under component 3;
- (ii) Based on this framework, full development of the TOT program for review by LGOP, CFPA, and the Asian Development Bank (ADB). Draft TOT materials will act as the seed for a set of flexible core materials used in capacity building for NGOs;
- (iii) Provision of TOT to CFPA, with outputs including a work plan for joint implementation of the post-selection training for NGOs; and expanded materials;
- (iv) Co-implementation (funded under the consultancy contract) with CFPA of this training for phase 1 NGOs before village project inception, focusing on core capacities for early-phase work (e.g., participatory needs assessment to sharpen proposed PA project design) and procedural requirements (e.g., accounting and reporting, transparency mechanisms, etc.);
- (v) Based on cooperation with CFPA during the post-selection training, refinement and extension of draft materials into a core set of flexible resource materials (in Chinese); and guidelines for CFPA implementation of subsequent stages of capacity building under component 3.
- (vi) Based on early M&E findings from component 4, joint review with CFPA of NGO efficacy and program adjustment, follow-up TOT, and core materials refinement.

14. **Activity Area 2.3.** The sub-team's main focus will be designing and implementing a multistage capacity building program for key government agencies at provincial, county, and township levels. The program will focus on enabling their shift from PA implementers to facilitators, with oversight of NGO-implemented efforts in selected target areas.⁴ Village leaders also might be included, as deemed appropriate. For each phase, this will consist of

- (i) organizing an orientation session (chaired by PADO) on the pilot test for relevant government agencies;
- (ii) pre-pilot training for frontline government officials, with urgent training on cooperation with NGOs given priority; and

³ This will identify and prioritize obstacles, principally gaps in existing capacities vis-à-vis competencies required by each actor to carry out roles foreseen under the draft design for the pilot test.

⁴ Sub-programs will address different models adopted in pilot villages in different localities.

- (iii) periodic capacity building for local governments, according to a program design and work plan to be agreed with PADO and ADB shortly after completion of the baseline study (component 4).

15. **Activity Area 2.4.** The consultants will propose to ADB and LGOP a program of two focused international study visits (estimated 8–10 days each), tentatively covering

- (i) local models for NGO involvement—the TA will support visits by five persons (from LGOP, PADO, CFPA, and relevant Jiangxi bureaus) to a developing or middle-income Asian country with innovative models and mechanisms for NGO-government cooperation in local PA efforts. The program will feed into early implementation of the pilot test; and
- (ii) macro policy and institutions—the TA will support visits by three to four key central Government decision-makers to one developing and one relatively developed country with established regulations, policies, and institutional mechanisms to support NGO involvement in addressing poverty and related social issues, to build on and sharpen policy and institutional reform dialogue initiated by the interim report and progress during the first half of the TA.

Group sizes may be expended slightly, pending LGOP and PADO recruitment of non-TA funding, but should not exceed 15.

16. **Activity Area 2.5.** The TA will support ready replication of successfully piloted elements throughout Jiangxi and to other provinces after project completion, as well as curriculum design and the production and dissemination of core resource materials as the basis for future capacity building programs for

- (i) leading national and provincial-level NGOs on core capacity building for local NGOs on participation in village-level PA; and
- (ii) provincial governments on coordinating NGO participation in PA, including budgeting, planning and guidance, supervision, and M&E for quality control, etc.

17. The consultant firm will work closely with CFPA in design, incorporating lessons learned from the project and international experience.

C. Pilot Project Support and Implementation

18. The Jiangxi chapter of CFPA, with oversight from Jiangxi PADO and support from national CFPA, will take principal responsibility for implementing the component. The TA will fund agreed non-staff expenditures directly related to implementation of this component. CFPA also will cooperate actively with governments and the consultants, especially as indicated under component 2. The principal output will be NGO capacities for participation in PA efforts built, and a successful completed pilot test, with new mechanisms proven viable in 18 pilot and four hybrid model villages by the end of the project.

19. **Activity Area 3.1.** Building on foundations built under component 2, the TA will provide multistage capacity building and informal support to NGOs, including

- (i) pre-selection orientation⁵ for potential NGO applicants for village-level PA projects, including overview of procedures and requirements under the pilot test;

⁵ Pending further review, this will be a mandatory certification course, though waivers might be allowed for firmly established NGOs able to demonstrate compliance with specified criteria

- (ii) cooperation with consultant sub-team 1 in designing a framework for a systematic, multimode capacity building program (activity area 2.2); and
- (iii) capacity building initiatives and ongoing support for NGOs, conducted by CFPA following completion of the initial TOT program and co-implementation with sub-team 1 of the post-selection training seminar for NGOs (component 2). Based on the agreed framework, these capacity building activities tentatively will consist of
 - (a) first-round mid-implementation training for NGOs involved in phase 1, focused on implementation capacities
 - (b) at least one follow-up round during 2006 for NGOs active in phase 1, tailor fit based on priority needs identified at the MTR and Pilot Mid-Stage Assessment; and
 - (c) repetition of each of the above for phase 2 NGOs.

The program might be adjusted by agreement between PADO and ADB at the MTR, incorporating NGO feedback and broader efficacy assessment under component 4.

20. **Activity Area 3.2.** CFPA will also administer the pilot test on NGO-government partnerships, spanning a range of agreed partnership models. Tasks will include

- (i) coordinating solicitation of NGO proposals for village-level projects and subsequent stages of the competition process, to facilitate final selection by PADO and endorsement by ADB, in accordance with mechanisms agreed with LGOP and ADB (component 1);
- (ii) CFPA's administering PADO funds earmarked for PA work under the pilot test, taking responsibility for channeling budgetary PA funds to selected NGOs and compiling accounts to comply with government requirements; CFPA also will assist PADO in disseminating summary information on fund flows on the Internet, each quarter or more frequently, to ensure transparency; and
- (iii) reviewing progress and issues by a range of stakeholders at the PADO-chaired Interim Workshop on NGO-Government Partnerships in Village-Level PA, which will initiate the MTR.

21. CFPA will provide ADB biannually (or more frequently as needed) progress reports and activity proposals outlining expenses eligible for TA funding: (i) final printing and/or reproduction and dissemination of support materials to NGOs; (ii) workshops, including lodging and travel allowances for local government participants; and (iii) air transportation and accommodation for national CFPA facilitators and non-CFPA resource persons (adding basic honoraria) to take part in seminars, in-field consultations, and other activities. These will be subject to prior ADB agreement, with APF replenishment subject to standard ADB liquidation procedures.

22. Jiangxi PADO will provide one project office for use by CFPA and consultant missions under other components. Except in special cases, Jiangxi PADO will secure venues for workshops, training sessions, etc. at various levels. It also will liaise with local governments to ensure cooperation and encourage communities' full participation. The TA will provide for the project office a basic package of information and communication technology to support pilot administration and oversight, with equipment transferred to LGOP ownership at project end.

D. External M&E

23. Functioning independently after the baseline study to ensure objectivity, sub-team 2 under the consultant firm will take principal responsibility for implementing the component. The team also will mobilize, provide skill-augmentation training for, and supervise a local survey

corps to support periodic data collection. The principal output will be an objective and externally credible assessment of the efficacy and impact of NGO-implemented projects, including quantitative and qualitative dimensions. The assessment also will compare the NGO-implemented projects with government-implemented PA projects in small control and hybrid samples of villages.

24. **Activity Area 4.1.** To actualize the research approach outlined in the TA paper, the sub-team will develop and implement an external M&E system for the pilot test, yielding evidence from cross-sectional and time-series comparisons of representative pilot, control, and hybrid sample villages, as well as detailed case study investigations. This will complement verification of inputs and physical outputs by local governments and CFPA. The sub-team will

- (i) review and hold consultations on project-based M&E approaches developed by other national and externally supported projects (e.g., GTZ) to draw on existing best practice;
- (ii) propose to ADB and LGOP a detailed plan for M&E under the pilot, capable of capturing qualitative evidence (including through detailed case studies) and quantitative evidence (through creation of a panel data set). Emphasis will be on parsimony—focusing on basic proxies and indicators for which accurate data can realistically be obtained, but which are highly informative regarding processes and the efficacy of NGO-implemented PA work;
- (iii) draft a design for a common baseline study to provide pre-pilot information on pilot, control, and hybrid sample villages, incorporating key baseline information requested by PADO and CFPA to ensure external M&E is consistent with internal tracking of resource inputs and physical outputs;
- (iv) implement the common baseline study and an agreed program of periodic M&E of project processes and outcomes; and
- (v) present and review of findings of the preliminary report at the multi-stakeholder interim workshop (component 3); and of the interim and draft final process and impact evaluation reports at the Jiangxi mid-stage and final pilot assessment workshops. The consultants will organize the latter, which PADO will chair, and it will feed into the mid-TA national workshop and final international forum, respectively.

25. **Activity Area 4.2.** To sustain tracking of the Jiangxi pilot after TA completion, and to ensure post-project replicability and retention of best practices learned in M&E under the TA, the sub-team (in close dialogue with PADO, CFPA, GTZ, etc.) will

- (i) provide a final capacity building program for PADO, CFPA, and broader stakeholders (as appropriate) to ensure skill transfer and replicability of key elements of the TA's M&E strategy, aimed at a sustainable (if simplified) system to capture longer-term measures of impact in pilot villages. This should include face-to-face sessions and development of a self-contained toolkit of print and multimedia tools, to be incorporated into the resource materials in component 2; and
- (ii) recommend a comprehensive framework for M&E under expanded NGO involvement in PA activities, with clear articulation of roles across actors, and guidelines for a minimalist and appropriate management information system.

26. **Activity Area 4.3.** The sub-team will draft a process and impact evaluation report for review by LGOP, PADO, CFPA, and ADB. This will be finalized after review at the pilot final assessment workshop, presented at the international forum, and broadly disseminated. The report will identify

- (i) key processes associated with the pilot-test (e.g., capacity building, NGO-led consultation with communities, equity in beneficiary participation and impacts, NGO cooperation with village committees and local governments, stakeholder attitudes, etc.);
- (ii) successes in reducing poverty, increasing incomes, empowering communities, and other outcomes; and
- (iii) challenges, shortfalls (e.g., capacity gaps), and issues affecting sustainability and replicability, as well as viable recommendations for actions by governments and (secondarily) international agencies and other external actors to address these.

27. The report will provide comparative evidence in these dimensions across pilot, control, and hybrid villages, as a basis for comparing the efficacy of NGO-implemented projects with conventional PA work. Policy-relevant and externally credible evidence from this report will be incorporated into the final report (component 1).

COST ESTIMATES AND FINANCING PLAN
(\$'000)

Item	Foreign Exchange	Local Currency	Total Cost
A. Poverty Reduction Cooperation Fund Financing^a			
1. Consultants			
a. Remuneration and Per Diem			
i. International Consultants	129.0	0.0	129.0
ii. Domestic Consultants	0.0	186.4	186.4
b. Travel	35.0	23.0	58.0
c. Capacity Building (Includes materials)	60.0	80.0	140.0
d. Studies ^b , Reports, and Administration	0.0	120.0	120.0
2. Equipment ^c	0.0	25.0	25.0
3. Other Capacity Building, Workshops, and Seminars			
a. CFPA Capacity Building and Support for NGOs ^d	0.0	70.0	70.0
b. Policy Forums and Other Workshops ^c	0.0	50.0	50.0
4. NGO Staffing and Administration Costs	0.0	110.0	110.0
5. Other Miscellaneous Administration and Support Costs	20.0	0.0	20.0
6. Contingencies	41.0	50.6	91.6
Subtotal (A)	285.0	715.0	1,000.0
B. Government Financing			
1. Counterpart Staff and Allowances	0.0	50.0	50.0
2. Office Accommodation and Supplies, Training, and Other Venues	0.0	90.0	90.0
3. Administrative Support and Local Transport	0.0	30.0	30.0
4. Budgetary Poverty Alleviation Funds for Pilot Test	0.0	830.0	830.0
Subtotal (B)	0.0	1,000.0	1,000.0
C. China Foundation for Poverty Alleviation Financing			
1. Counterpart Staff and Allowances	0.0	80.0	80.0
2. Travel, Logistics, and Administration Costs	0.0	20.0	20.0
Subtotal (C)	0.0	100.0	100.0
Total	285.0	1,815.0	2,100.0

CFPA = China Foundation for Poverty Alleviation; NGO = nongovernment organization.

^a Administered by the Asian Development Bank (ADB).

^b Includes monitoring and evaluation.

^c Funds administered by (State Council Leading Group Office of Poverty Alleviation and Development/Poverty Alleviation and Development Office), based on cost proposals agreed with ADB. PADO will procure equipment in accordance with arrangements acceptable to ADB. Equipment will become LGOP property after technical assistance completion.

^d Agreed non-staff expenditures for CFPA-implemented activities, based on cost plans agreed with ADB.

Source: ADB estimates.

OUTLINE TERMS OF REFERENCE FOR CONSULTANTS

1. Technical assistance (TA) to the People's Republic of China (PRC) on mainstreaming the role of nongovernment organizations (NGOs) in village-level poverty alleviation (PA) will require expert inputs. These experts will include a group of independently recruited consultants, as well as a consultancy firm, mobilizing two sub-teams. Working closely with the State Council Leading Group Office of Poverty Alleviation and Development (LGOP), Jiangxi Province Poverty Alleviation and Development Office (PADO), and China Foundation for Poverty Alleviation (CFPA), the consultants will take lead the implementation and delivery of outputs¹ under components 1, 2, and 4. They also will provide other policy and institutional advice, as needed. In addition to duties noted in this appendix, the consultants will contribute to collective tasks, such as preparation, facilitation, and follow-up tasks for workshops and monitoring and evaluation (M&E). Further, they will conduct any specific tasks as the Asian Development Bank (ADB), LGOP, and/or PADO might reasonably request. For each component, concise biannual progress reports will analyze key issues encountered and propose next steps, including updated work plans detailing group or sub-team members' inputs.

A. Individual Consultants

2. Five individual consultants will take the lead in implementing component 1. As the group leader, the poverty reduction expert will coordinate tasks under a common work plan and ensure delivery of reports: (i) the inception report, (ii) rapid assessment report, (iii) technical report, (iv) interim report, (v) final report, and (vi) biannual progress reports. Dividing the consultants into two sub-groups will expedite initial macro- and micro-level work. Specific inputs are outlined in paras. 3–8.

1. Poverty Reduction Expert (domestic, 9 person-months)

3. As group leader, the expert will have overall responsibility for
- (i) identifying, proposing to ADB and LGOP, and coordinating with resource persons needed for workshops, specific written inputs, and review of key draft reports;
 - (ii) maintaining liaison with consultant firm sub-teams, CFPA², and key actors and decision-makers to support pilot test implementation and policy dialogue;
 - (iii) proposing to ADB and LGOP any changes needed in scope or approaches at the midterm review (MTR), or as needed;
 - (iv) compiling group reports (incorporating member inputs, findings from component 4, and field observations), and ensuring findings effectively reach policymakers; and
 - (v) compiling comprehensive guidelines—emphasizing transparency, efficacy, and minimal complexity—in dialogue with PADO and CFPA, and a kit of materials and documents for solicitation, review, and selection of NGO proposals; and secure agreement with ADB and LGOP on procedures before pilot launch.
4. Expertise-specific responsibilities will include
- (i) working with the international advisor to identify key issues with implications for TA implementation, and develop a communication plan;
 - (ii) taking stock of recent village-level PA initiatives, and the role of NGOs in the PRC, to draw on lessons learned and identify possible complementarities;

¹ Major drafts and final versions of reports should be submitted to ADB and LGOP (with copies to PADO and CFPA) in English and Chinese.

² This will include relaying findings to enhance other components; and reviewing M&E findings, and proposing refinements to TA capacity building initiatives.

- (iii) assessing key issues for the pilot test, including participation by local governments and communities; and, as sub-group leader for the local profile study, (a) working with the NGO specialist to design and complete in-field and desk study; (b) conducting initial institutional analysis of government actors in Jiangxi PA work; and (c) presenting findings to LGOP, PADO, and ADB, and proposing selection of representative pilot, control, and hybrid model villages; and
- (iv) guided by the advisors, assembling and analyzing evidence to compare PA projects in pilot, control, and hybrid villages for the interim and final reports.³

2. Advisor on NGO-Government Partnerships in Poverty Alleviation (international, 2.5 person-months)

5. Incorporating international lessons learned and best practice models, the advisor will
- (i) act as sub-group leader for design and implementation of the macro-level study; and work with the public finance specialist and other members in identifying reforms, and financing and other modalities for the final framework;
 - (ii) emphasizing transparency and efficacy with minimal complexity, guide the group in designing procedures, documentation, and other mechanisms⁴ for the pilot test; and ensure consistency of NGO selection with ADB and government practices;
 - (iii) recommend clear role delineation between NGOs, government entities, and other actors for the pilot test and final framework; and
 - (iv) guide and provide input to group members' work in other areas, and provide international comparative analysis to group reports and recommendations.

3. NGO Specialist (domestic, 4 person-months)

6. The specialist principally will
- (i) provide an overview of NGOs' role in PA- and community development-related work in Jiangxi, including external factors and obstacles;
 - (ii) assemble an annotated inventory of NGOs likely to apply for pilot projects, including demonstrated capacities, local roots, and potential internal constraints;
 - (iii) analyze NGO-NGO and NGO-government networks in Jiangxi., and take responsibility for a preliminary institutional analysis of NGOs to identify possible mismatches vis-à-vis governments, constraints to partnership, and resolutions; as well as likely complementarities, based on comparative advantage;
 - (iv) assess regulations (e.g., registration) and supervision mechanisms shaping NGO-government interaction; and later, propose concrete policy and institutional reforms and new mechanisms to promote effective NGO involvement in PA efforts;
 - (v) extend analysis under tasks (i) and (iii) to the PRC in the interim and final reports;
 - (vi) work with the group to develop systems for NGO selection; and prepare materials for provision to NGOs for proposal solicitation, periodic reporting, etc.; and
 - (vii) assess financial aspects of NGO-run PA projects, including funding modalities.

4. Advisor on Poverty Reduction Policy and Reform (domestic, 2 person-months)

³ This should include transaction costs, cost-efficiency, overall efficacy, and implications for policy and replication.

⁴ This will include (i) NGO proposals; (ii) proposal review and selection, including clear criteria capturing key facets of proposal quality and NGO solvency and capacity (e.g., management, local track record, technical experience, etc.); (iii) fund transfers; and (iv) mid-implementation operations and standardized reporting.

7. The advisor will provide senior expertise and guidance on policy and institutional reform, principally at the national level, including

- (i) reviewing, guiding, and providing input to group work to ensure its firm grounding in the PRC context; and identifying links to policy and institutional reform dialogue;
- (ii) as an input to the final report and framework, working with the group to assess and propose (a) realigned, clear future roles of LGOP and other agencies; (b) new legislation, coordination mechanisms, and funding modalities; and (c) mechanisms for financial and human resources, and actions to address institutional issues; and
- (iii) communicating TA findings and advocating reform to senior Government leaders.

5. Public Finance Specialist (domestic, 3 person-months)

8. The specialist will provide principally micro-level analysis, under the guidance of (and feeding into macro-level work by) the domestic advisor. The specialist will

- (i) support the group leader in the initial institutional analysis of Jiangxi government and analyze challenges, risks, and other issues with implications for the TA;
- (ii) review existing laws, regulations, and policies on utilization and disbursement of public funds, in particular budgetary PA funds; and analyze constraints and possible new modalities for NGO access to PA funds and subsidized loans;
- (iii) propose workable protocols for fund management, accounting and reporting, and internal tracking of resource inputs and physical outputs under the pilot test based on investigation and consultation with key officials; and
- (iv) support the advisors late in the TA in assessing financial resource needs and proposing new funding modalities to support a realignment of government roles in effective PA efforts. Identify possible efficiency improvements.

B. Consultant Firm

9. A consultant firm will lead the TA's capacity building and M&E components, mobilizing two sub-teams of consultants. As team leader, the expert on NGO-government partnerships will guide the two sub-team coordinators. To preserve objectivity, the M&E sub-team will function independently after the baseline study, with M&E findings informing refinements in capacity building efforts. An indicative breakdown of sub-teams' responsibilities is given in paras. 10–20.

10. **Sub-team 1 (Capacity Building).** Four consultants will focus on the TA's capacity-building initiatives: (i) full implementation of the program for local governments, (ii) joint initiation and turnover to CFPA of the program for NGOs, and (iii) development of guidelines and core resource materials for government and NGO capacity building to support post-TA replication.

6. Expert on NGO-Government Partnerships (international, 2.5 person-months)

11. As team leader, the expert will take responsibility for ensuring implementation of both components according to the TA design and instructions and/or guidance from LGOP and ADB, as well as the timeliness and quality of the team's outputs. The expert will

- (i) agree with the two sub-team coordinators on initial sub-team work plans, and propose to ADB and LGOP any substantive changes, as needed;
- (ii) review the drafting process for the M&E strategy and baseline study;
- (iii) within 3 weeks, coordinate submission of a draft inception report, including work plans for both sub-teams that reflect consensus with government actors and CFPA on a clear delineation of responsibilities; and
- (iv) coordinate submission of sub-team 1 progress reports with work plan updates.

12 Based on international models and lessons learned in government adoption of oversight and facilitation roles and new modalities for NGO-government partnership, the expert also will

- (i) design and oversee implementation of a detailed needs assessment for relevant NGOs and government entities in Jiangxi, building on local profile study findings;
- (ii) propose to ADB and LGOP refined designs for multimode capacity building for local governments to support the pilot test, with a stress on needs targeting;
- (iii) oversee training of trainers (TOT) for CFPA and cooperation in framework design, core material development, and launch of the capacity building program for NGOs;
- (iv) work with the participatory training coordinator and CFPA to ensure all programs embed active, experiential methodologies (e.g., case studies and follow-up tasks);
- (v) propose to ADB and LGOP participant selection criteria and learning objectives for international study visits, programs of study and itineraries (with costs), and a structured post-return subprogram; and facilitate these programs, as needed; and
- (vi) guide the coordinator in work on sustainable capacity building for NGOs and governments to support post-pilot test expansion, including developing guidelines and flexible resource kits for multimode training and institutional development.

7. Participatory Training Coordinator (domestic, 7 person-months)

13. The coordinator will take responsibility for implementing multimode capacity building and institutional development. Specific responsibilities will include

- (i) identifying local resource persons to support the sub-team in specific roles; and mobilizing, managing, supervising, and helping to strengthen their inputs;
- (ii) building on the local profile study and guided by the expert, (a) systematically assessing capacities and gaps of local governments and CFPA, (b) identifying priorities for TOT for CFPA, and (c) coordinating joint dialogue to design the NGO capacity building program;
- (iii) working with the expert to integrate locally appropriate participatory methods and training tools into all programs, including skill transfer to CFPA through TOT;
- (iv) working with the expert and CFPA on program development for post-TA skill transfer, and overseeing materials production and dissemination; and identifying a preliminary network of NGOs and institutions in Jiangxi and other provinces that could be tapped for capacity building for post-pilot replication; and
- (v) ensuring concise, but adequate, documentation of capacity building programs; and presenting progress as requested at workshops under other components.

8. Specialist on Rural Development Project Planning and Management (domestic, 4 person-months)

15. Guided by the expert and coordinator, the specialist will work to identify and address constraints to NGO participation in PA and rural development. Tasks will include

- (i) building on local profile study findings in a detailed analysis of capacities and gaps of NGOs eligible for the pilot test, including in (a) participatory needs assessment and project design, (b) fund management, and (c) technical competencies;
- (ii) assessing CFPA's needs in these areas, and design related TOT elements;
- (iii) based on detailed investigation and in close dialogue with CFPA, developing core materials for modules on NGO capacities in planning, reporting, accounting, and other areas needed under the pilot test; and
- (iv) providing inputs to guidelines and materials development for post-TA replication.

9. Institutional Specialist (domestic, 3 person-months)

16. The specialist's specific responsibilities will include
- (i) conducting a thorough institutional analysis of key government actors in Jiangxi PA work that builds on preliminary findings from component 1;
 - (ii) assessing local officials' readiness to adopt new roles under the pilot test, as well as key obstacles in attitudes, information flows, and technical capacities; and working with the sub-team to design sequenced interventions to address these;
 - (iii) providing related advice to sub-team 2 design of the baseline study; and
 - (iv) developing core materials for modules for related capacity building during the TA, and to support post-TA replication.

17. **Sub-team 2 (M&E).** Three consultants will finalize and implement the M&E strategy. They will mobilize, train, and supervise a local survey corps to support periodic data collection.

10. Field Research Coordinator (domestic, 5 person-months)

18. The coordinator will act as sub-team leader and liaison, with responsibility for implementing the final M&E strategy. This will involve close consultation with NGOs, local governments, and communities. Specific responsibilities will include

- (i) assisting PADO in organizing the pilot mid-stage and final assessment workshops, which might include structured site visits for key provincial officials, as appropriate;
- (ii) overseeing selection of, training for, and inputs by local information collectors;
- (iii) analyzing M&E findings (with guidance by the expert), focusing on identifying distinctions in processes and impact across NGO- and government-implemented projects in pilot, control, and hybrid villages, respectively;
- (iv) directing the skill transfer program on M&E near TA completion; and
- (v) coordinating sub-team 2 reports, including (a) biannual reports (after each survey round), (b) the preliminary report on NGO efficacy and constraints, and (c) reports for the two pilot assessment workshops.

11. Expert on M&E Strategy and Design (international, 1.5 person-months)

19. Drawing on international best practice in M&E, the expert's responsibilities will include

- (i) guiding the sub-team to develop and implement an M&E strategy to capture processes (e.g., government and NGO functions) and outcomes of the pilot test;
- (ii) advising M&E and ensuring strict standards and objectivity; critically assessing, and proposing refinements to the M&E strategy; and guiding analysis of findings to ensure technical quality and clear identification of policy implications;
- (iii) proposing, and identifying resources for, post-TA continuation of M&E for selected indicators for processes and impacts; and working with the sub-team, PADO, and CFPA to design the skill transfer program on M&E near TA completion; and
- (iv) as an annex to the sub-team's final M&E report, assessing management information systems; and proposing guidelines for incorporating NGO-implemented PA work in a minimalist but flexible system.

12. Specialist on Rural Development M&E Methods (domestic, 3 person-months)

20. The specialist will support the sub-team by

- (i) identifying indicators and M&E tools and techniques, based on in-field experience, for incorporation into the M&E strategy;
- (ii) giving training, technical guidance, and materials to the local corps of information collectors; and providing similar inputs to the final capacity building program;
- (iii) working with the corps, and independently in-field during the baseline study and later, as needed; and taking responsibility for the detailed case studies; and
- (iv) contributing to sub-team analysis, particularly the integration of case study findings.