



Regional Technical Assistance Report

Project Number: 41052
October 2007

Supporting Network of Research Institutes and Think Tanks in South Asia Phase II

Asian Development Bank

ABBREVIATIONS

ADB	–	Asian Development Bank
ADB I	–	Asian Development Bank Institute
CAREC	–	Central Asia Regional Economic Cooperation
DMC	–	developing member country
GMS	–	Greater Mekong Subregion
RCI	–	regional cooperation and integration
RCSP	–	regional cooperation strategy and program
RETA	–	regional technical assistance
SAARC	–	South Asian Association for Regional Cooperation
SARD	–	South Asia Department
SSTA	–	small scale technical assistance

TECHNICAL ASSISTANCE CLASSIFICATION

Targeting Classification	–	General intervention
Sector	–	Law, economic management and public policy
Subsector	–	Economic management
Themes	–	Sustainable economic growth, regional cooperation, capacity development
Subthemes	–	Promoting economic efficiency and enabling markets, client relations, network and partnership development

NOTES

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

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Director General	K. Senga, South Asia Department (SARD)
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I. INTRODUCTION

1. At the summit of the South Asian Association for Regional Cooperation (SAARC) in Dhaka, Bangladesh, in 2005, SAARC leaders agreed on the need for the group to “broaden its engagement with civil society organizations, professional groups and entrepreneurs in the region.” However, public opinion and the overall climate for regional cooperation remain weak. This lack of adequately positive climate in favor of regional cooperation could be addressed by independent and reputable research institutes and think tanks in the region as the work done by these bodies highlights the benefits of regional cooperation and thus influences public opinion and the thinking of political leaders. There appears to be a need for some greater attention to be given to strengthening the capability of research institutes, think tanks and experts, and to promoting effective networking among them for strengthening regional cooperation. Enhancing analytical and research capabilities and establishing an effective network among research organizations are generally referred to as “track two” measures to distinguish them from measures directed at governments and public sector agencies. The output from studies by research institutes, think tanks and experts will contribute toward molding public opinion and could be expected to influence positively the views of leaderships in the region, thereby contributing to stronger political will for regional cooperation. In addition, the report of the Eminent Persons Group¹ highlights the importance of ADB’s role as a platform for sharing information about knowledge management activities in terms of regional know-how. The proposed regional technical assistance (RETA) responds to requests by developing member countries (DMCs) at several meetings, including ADB’s annual meeting in Kyoto, Japan, from 5 to 7 May 2007. The RETA was not included in the South Asia Regional Cooperation Strategy and Program (RCSP) 2006–2008, but the concept paper for the RETA was cleared on 18 July 2007 by the Vice President, Operations 1. During a fact-finding mission from 30 August to 3 September 2007, major research institutes in South Asia were consulted and agreed with the proposed RETA. The RETA design and monitoring framework is shown in Appendix 1.²

II. ISSUES

2. Most South Asian countries have fairly well developed and analytically oriented research institutes, think tanks and experts. Many of these undertake studies related specifically to regional cooperation, and their work is beginning to have a positive impact as policy makers in the region develop greater appreciation of the benefits of regional cooperation. However, the activities in conducting research and disseminating findings remain somewhat limited. In view of the significant role that regional cooperation can potentially play in accelerating the pace of development and reducing poverty in South Asia, the activities of research institutes, think tanks and experts need to be strengthened further by supporting (i) a timely and enhanced scope of analytical work on regional cooperation activities, and (ii) wider dissemination of research findings to encourage policy recommendations being put into practice.

3. In 2004 ADB undertook a regional small scale technical assistance (SSTA) to promote regional cooperation in South Asia, by facilitating “track two” measures to enhance the capacity of research institutes in South Asia.³ Through the SSTA, ADB has promoted regional cooperation by (i) strengthening current initiatives and networks of research institutes, and

¹ ADB. 2007. *Toward a New Asian Development Bank in a New Asia: Report of the Eminent Persons Group to the President of the Asian Development Bank*. Manila.

² The TA first appeared in *ADB Business Opportunities* on 14 September 2007.

³ ADB. 2004. *Technical Assistance for Supporting Network of Research Institutes and Think Tanks in South Asia*. Manila (TA 6189-REG, approved on 30 September 2007).

enhancing the scope of analytical work undertaken; (ii) increasing interaction among regional experts; and (iii) widening the dissemination of research material that supports regional cooperation. Positive evaluation of the “track two” measures to promote regional cooperation and integration (RCI), and further recent positive developments in cooperation in the SAARC region, under the SSTA, led ADB’s South Asia Department (SARD) to conduct several additional activities for the SAARC summit in New Delhi, India, in April 2007. SAARC also prioritizes knowledge sharing among its member countries. For example, leaders at the latest summit agreed to the vision of a South Asian community where goods, services, peoples, technologies, knowledge, capital, culture and ideas flow smoothly around the region.⁴

4. The SSTA has successfully conducted five studies on specialized topics and supported four workshop or seminars on regional cooperation. This includes inputs for the SAARC summit, undertaken by the South Asian Centre of Policy Studies, one of the most established networks of research institutes in the region. The SSTA also supported the eighth annual conference of the South Asia Network of Economic Research Institutes, also a well-established regional network, which was held in Kathmandu, Nepal, from 31 August to 1 September 2007. The conference covered a variety of topics including foreign direct investment, human resource development, and development of the financial and agriculture sectors.

5. These seminars and studies succeeded in raising awareness about key areas of regional cooperation such as investment cooperation, energy cooperation, South Asia’s strategy for World Trade Organization negotiations, the South Asian Free Trade Area, macroeconomic policy harmonization, and a Citizens’ Charter for South Asia. However, such initiatives need to be enhanced further in order to gain broader socio-political support for regional cooperation. The current favorable environment provides an opportunity to push the regional cooperation agenda further. ADB’s unique and close involvement with sub-regional cooperation initiatives puts it in a strong position to take the process further by assisting to build broad consensus for cooperation initiatives through activities to be undertaken by research institutes in the region.

6. During the SSTA’s implementation, research institutes, think tanks and experts in South Asia proposed many useful, practical and constructive research plans and related workshops to promote regional cooperation, including policy recommendations. They have since requested more timely and wider-scale support from ADB to (i) develop a medium-term framework to promote their research activities and “track two” measures, (ii) enhance their research capacity, and (iii) further develop research networks in South Asia. In the coming years, these research institutes, with capacity to conduct useful research, including addressing policy implications and making recommendations, plan to undertake many important studies on regional cooperation. These studies need to be completed and delivered through publications and workshops in a timely manner. They will be built on lessons of the SSTA and other regional cooperation activities.

III. THE PROPOSED TECHNICAL ASSISTANCE

A. Impact and Outcome

7. The proposed RETA will promote regional economic cooperation in South Asia through knowledge sharing on RCI and policy making for RCI, and enhance the capacity of research institutes in South Asian DMCs through studies, workshops and dissemination of the

⁴ SAARC. 2007. *Declaration of the Fourteenth SAARC Summit*. New Delhi.

outcomes.⁵ The RETA will further strengthen existing networks of research institutes in South Asia, and facilitate interaction between academics, policy makers and researchers in order to promote the “track two” measures. The RETA supports research on RCI issues by DMC experts as well as existing research institutes and networks in the region. The studies and workshops under the RETA will recommend policies and plans of joint actions to enhance cooperation among the SAARC member countries. The studies and workshops may also identify priority areas and projects for which technical and financial assistance could be provided by development partners, including ADB, and further facilitate coordination of development partners in the region.

8. The RETA will build knowledge and capacity in specific development topics related to regional cooperation. It will help to enhance the understanding and awareness of policy makers and the public regarding important regional sectoral and thematic issues. It also will strengthen ADB’s partnership with local research institutes, think tanks, experts and academia, which will facilitate ADB’s recommendations on regional cooperation.⁶ The RETA will foster knowledge communities throughout the region and provide learning opportunities on key and priority development topics where ADB’s financial assistance is made available for research in regional cooperation. The expected development of research networks may be integrated into ADB’s lending operations and knowledge management activities, which is in line with the report of the Eminent Persons Group to the President proposing ADB as a platform for knowledge sharing rather than as the primary source of knowledge. In addition, the network will support DMCs in their development efforts and enhance ADB’s ability to respond to their needs more effectively and in a timely manner. Research activities to be proposed will primarily cover regional and subregional economic cooperation programs on cross-border infrastructure and related software, trade and investment cooperation and integration, and cooperation in regional public goods, which are three of four pillars in ADB’s RCI strategy.⁷

B. Methodology and Key Activities

9. The RETA will identify two research institute networks in the region to serve as coordinating centers for specific research topics particularly related to regional cooperation, to be financed under the assistance. The networks should have the technical skills and capacity to undertake these activities and to influence policy makers to implement their recommendations. ADB will identify research topics and research institute networks through internal consultation among relevant departments, the Asian Development Bank Institute (ADBI), DMCs and other stakeholders. Research networks will consult and coordinate with their regional network institutes on the details of research activities. They will advertise the details of research activities to be financed through their networks on their websites in order to encourage additional collaboration and support from experts in the region. These coordinating centers will hold workshops on related topics to disseminate research outcomes. To ensure effective synergy and knowledge sharing, research networks and their member institutes will communicate with each other as much as possible. To further promote regional cooperation and integration through “track two” measures, the networks will also collaborate with existing research institute networks and governments in the region. In order to build on lessons learnt and find effective ways to see relevant governments realize policy recommendations, workshops to discuss case studies of “track two” measures in South Asia and other regions will be held during the early stages of implementing the RETA.

⁵ The RETA will be conducted in SAARC member countries Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka.

⁶ ADB. 2007. *Supporting Provision of Regional Public Goods in the Asia and Pacific Region*. Manila.

⁷ ADB. 2006. *Regional Cooperation and Integration Strategy*. Manila.

10. The outputs of the RETA will be a series of operational policy studies and analytical works on development of RCI in South Asia, workshops, seminars and conferences, and dissemination of the findings of these studies through publication and the internet. The workshops will involve a variety of stakeholders, including representatives of the private sector, to facilitate dissemination of the findings and effectively influence policy makers. A set of papers and studies will be generated by local research institutes that are members of a research network in SAARC member countries. The studies will cover regional cooperation in areas such as transport, trade and investment, energy, macroeconomic policies, health and migration issues, many of which are priority sectors in the South Asia RCSP 2006–2008. Each network of research institutes, working as a coordinating center, will be asked to conduct a stocktaking study of research activities for each sector to avoid redundant work and identify research topics in each area.

11. In addition to supporting two research institute networks, a portion of research grant funds will be available to research institutes in the region that are not already part of the networks. Competitive research grants, open to all research institutes and experts in the region, will be developed and implemented to promote research on regional cooperation by research institutes, think tanks and experts from SAARC countries. A steering committee⁸ will receive and select proposals to be financed by grants. For research proposals under coordinating centers and competitive research grants, a template for proposals and evaluation criteria will be developed to ensure a uniform process.

12. Synergies with ADBI will be explored in the design of workshops and the selection of studies to be conducted.⁹ The RETA also will explore opportunities for cooperation with the research and training institutes of other multilateral institutions such as the World Bank Institute. The RETA will build on the lessons and extensive experience of other subregional cooperation programs, such as the Greater Mekong Subregion (GMS) Program, the GMS Phnom Penh Plan for Development Management, the Central Asia Regional Economic Cooperation (CAREC) Program, the CAREC Capacity Development for Regional Cooperation in CAREC Participating Countries,¹⁰ studies, workshops and training courses conducted by the Office of Regional Economic Integration and the SSTA.

C. Cost and Financing

13. The total cost of the proposed RETA, estimated at \$1,200,000 equivalent, will be financed on a grant basis by ADB's TA funding program. The costs will cover consulting services, regional conferences, the research program and publication. The detailed cost estimates for the proposed RETA are given in Appendix 2.

D. Implementation Arrangements

14. ADB will be the executing agency of the RETA. ADB's SARD will be responsible for overall administration of the assistance. The RETA is expected to begin in December 2007 and be completed by December 2010. The selected networks of research institutes will be implementing agencies. No activities will be financed under this RETA in any member country of

⁸ See paragraph 15 of this paper.

⁹ ADBI held an Asian think tanks workshop in June 2007.

¹⁰ ADB. 2006. *Technical Assistance for Central Asia Regional Economic Cooperation: Capacity Development for Regional Cooperation in CAREC Participating Countries, Phase I*. Manila (TA 6375-REG, approved on 18 December).

ADB unless and until a letter of no objection regarding such activity has been received from the government of such member country.

15. A steering committee chaired by the director of the Country Coordination and Regional Cooperation Division, SARD, will oversee the RETA. The committee members will be the team leader who will be a staff member of ADB and supervise the RETA on a daily basis, economists at ADB, and the program manager. The steering committee, supported by the program manager, will be set up to direct and maintain high quality research in close consultation with networks of research institutes. It will ensure the quality of research to be conducted by member research institutes. The committee will also screen research project proposals and identify resource people for workshops. It will meet periodically to review progress and resolve issues. In addition, the committee will have the right to select studies to be financed under competitive research grants. A full-time program secretariat based at ADB headquarters will provide logistical and administrative support to the committee.

16. The RETA will require consulting services including a program manager (international, 12 person-months) and a full-time program officer based in Manila (national, 36 person-months). Both consultants will be individually recruited and will work under the supervision of the team leader, an ADB staff member responsible for administration of the RETA. The outline terms of reference for the consultants are in Appendix 3. The program manager will report to SARD and will be responsible for (i) identifying networks of research institutes and preparing draft agreements with them; (ii) organizing workshops to discuss case studies of “track two” measures; (iii) providing necessary technical assistance; (iv) reviewing the activities and outputs of these research networks; (v) assessing the research proposals to be financed under the RETA, including competitive grants; and (vi) managing a competitive grants program. All the consultants will be engaged by ADB according to its *Guidelines on the Use of Consultants* (2007, as amended from time to time).

17. Appropriate information on RETA activities, including relevant applications for research activities, outputs from the research grant program, and the agenda and outputs of workshops will be disseminated widely through the websites of ADB and local research institutes, as well as publications.

IV. THE PRESIDENT'S RECOMMENDATION

18. The President recommends that the Board approve the provision of technical assistance not exceeding the equivalent of \$1,200,000 on a grant basis for Supporting Network of Research Institutes and Think Tanks in South Asia Phase II.

DESIGN AND MONITORING FRAMEWORK

Design Summary	Performance Targets/Indicators	Data Sources/Reporting Mechanisms	Assumptions and Risks
<p>Impact Promote regional economic cooperation through knowledge sharing on regional cooperation and integration (RCI) and RCI policy making, and enhance capacity of research institutes in South Asian DMCs</p>	<p>Increased trade, investment and movement of people in the South Asia region</p> <p>Quality of research by research institutes.</p>	<p>Statistics of member countries of South Asian Association for Regional Cooperation (SAARC)</p> <p>Papers by research institutes in the region</p>	<p>Assumption Political will to foster regional cooperation</p>
<p>Outcome Strengthen existing networks of research institutes, think tanks and experts in South Asia, and facilitate interaction between academics, policy makers and researchers on regional cooperation</p>	<p>Progress in finalizing outputs and timely dissemination of research related to regional cooperation</p>	<p>ADB missions and outcomes of the SAARC summit and other high-level meetings</p>	<p>Assumption Progress in regional cooperation among SAARC member countries and research institutes and think tanks</p> <p>Risk Lack of coordination among research networks</p>
<p>Outputs</p> <p>1. A series of operational policy studies and analytical works on development of RCI in South Asia by local research institutes through regional research networks</p> <p>2. Workshops, seminars and conferences</p> <p>3. Competitive research grants and research conducted</p> <p>4. Dissemination of the findings of studies through publications and the internet</p>	<p>Timely completion of all documentary outputs</p> <p>Scrutiny of studies</p> <p>Timely holding of meetings</p> <p>Grant awarded</p> <p>Outputs received and publicly disseminated</p> <p>Scrutiny of studies and timely dissemination of materials by ADB and research networks</p>	<p>Assessment of reports and quality by the steering committee</p> <p>Reports from networks of research institutes</p> <p>ADB missions and progress report, including mid-term review</p> <p>Feedback reports</p> <p>Workshop proceedings</p> <p>Assessment of proposed study</p> <p>Progress report, including midterm review</p> <p>ADB missions and progress report, including midterm review and website information</p>	<p>Assumptions Cooperation from member institutes of research networks and their ability to manage logistical issues</p> <p>Relevant research proposals are received from research institutes</p> <p>Risk Research networks and their member institutes become inactive due to internal reasons or an adverse change in the region's political climate</p>

Design Summary	Performance Targets/Indicators	Data Sources/Reporting Mechanisms	Assumptions and Risks
<p>Activities with Milestones</p> <p>Output 1. Completion of studies on specialized topics in regional cooperation in South Asia</p> <p>1.1 Recruitment of consultants (December 2007)</p> <p>1.2 Form steering committee at ADB (January 2008)</p> <p>1.3 Selection of networks of research institutes (January 2008)</p> <p>1.4 Agreement between research networks and ADB, including creation of format for research proposals (February 2008)</p> <p>1.5 Advertise research proposals through networks (March 2008)</p> <p>1.6 Selection of studies and workshops to be financed (twice a year in 2008–2010)</p> <p>Output 2. Workshops/seminars organized on topics of contemporary importance in regional cooperation</p> <p>2.1 Recruitment of consultants (December 2007)</p> <p>2.2 Form steering committee at ADB (January 2008)</p> <p>2.3 Selection of networks of research institutes (January 2008)</p> <p>2.4 Advertise workshop/seminar proposals through networks (March 2008)</p> <p>2.5 Inception workshop on “track two” measures (April or May 2008)</p> <p>2.6 Selection of workshop/seminar proposals to be financed (twice a year in 2008–2010)</p> <p>Output 3. Research grants program</p> <p>3.1 Recruitment of consultants (December 2007)</p> <p>3.2 Form steering committee at ADB (January 2008)</p> <p>3.3 Create format and standard for submission of research proposals (February 2008)</p> <p>3.4 Advertise workshop/seminar proposals on websites of ADB and selected research networks (March 2008)</p> <p>3.5 Selection of study proposals to be financed under the grants (twice a year in 2008–2010)</p> <p>Output 4. Dissemination of findings of studies</p> <p>4.1 Completion of studies and workshops/seminars</p> <p>4.2 Dissemination of studies and outcomes of workshops/seminars (December 2008–December 2010)</p>		<p>Inputs</p> <p>ADB: \$1,200,000 technical assistance resources to cover cost of consultants, seminars and workshops, research grants, publications and contingencies</p> <p>Research networks and research institutes: (i) Time for knowledge creation and sharing, (ii) staff time, and (iii) facilities for meetings/workshops</p>	

ADB = Asian Development Bank, DMC = developing member country.

COST ESTIMATES AND FINANCING PLAN
(\$'000)

Item	Total Cost
Asian Development Bank (ADB) Financing ^a	
1. Consultants	
a. Remuneration and Per Diem	
i. International Consultants	180.0
ii. National Consultants	80.0
b. International and Local Travel	30.0
c. Reports and Communications	20.0
2. Seminars and Conferences	250.0
3. Research Grant Program ^b	500.0
4. Miscellaneous Administration and Support Costs	20.0
5. Contingencies	120.0
Total	1,200.0

^a Financed by ADB's technical assistance funding program.

^b Grant program will include support to research activities, as well as publication and dissemination of research outcomes.

Source: ADB estimates.

OUTLINE TERMS OF REFERENCE FOR CONSULTANTS

A. General

1. The technical assistance will require inputs from international or national consultants with expertise in the identified areas and drawn from a range of experts, research institutes and think tanks to provide analytical and operationally relevant inputs. The consultants should also have expertise in designing frameworks for knowledge sharing and dissemination, and learning and dissemination plans in research outputs.

B. International Consultant (12 person-months)

2. The consultant will be a technical specialist as the program manager in the identified areas. The consultant will have expertise in techniques for knowledge transfer. He or she will design and develop in-depth knowledge products and services that match the needs identified in the region, developing member countries (DMCs) and the Asian Development Bank (ADB). The consultant needs to have a good understanding of relevant subjects and relevant research techniques. The tasks of the consultant will include but not be limited to the following.

- (i) Identify networks of research institutes and think tanks in South Asia, noting which networks serve as coordinating centers for specific topics, to be financed under the RETA. Research institutes networks should have the technical skills and capacity to undertake the specified activities.
- (ii) Identify specific research activities and assess the suitability of experts in the network member research institutes for involvement in each of these activities.
- (iii) Prepare draft agreements with networks of research institutes and think tanks identified under the RETA, and undertake necessary preparatory work.
- (iv) In the early stage of implementation, organize workshops for stocktaking of past experience in “track two” measures undertaken in South Asia and other regions.
- (v) Design a format or template to be used for research and workshop and seminar proposals, as well as for competitive research grants.
- (vi) Review the proposals from research institute networks, and provide comments to ensure quality of research.
- (vii) Manage a competitive research grants program, together with other steering committee members; review the research project proposals; provide comments to ensure quality of research; and select the proposed studies and workshops and seminars to be financed.
- (viii) Support the organization of seminars and workshops, and conduct them.
- (ix) Prepare progress reports, conduct a midterm review and make presentations to the steering committee.
- (x) Coordinate with relevant internal and external parties.
- (xi) Provide inputs at different stages of the RETA implementation.
- (xii) Coordinate various activities required for successful completion of the RETA.
- (xiii) Undertake other tasks determined jointly with ADB staff members managing the program.

C. National Consultant (36 person-months)

3. The consultant, in close collaboration with the program manager and the team leader, will support and manage the day-to-day implementation of the program. He or she will be based at ADB headquarters and will report to the program manager and the team leader. Candidates preferably must have a postgraduate degree in economics, social science or public administration and public policy; proven experience in managing technical assistance projects; and at least five years' professional experience in dealing with a range of stakeholders. Previous experience in capacity-building programs in academic and non-academic settings will be a distinct advantage.

4. Specific tasks will include, but will not be limited to, the following.

- (i) Assist ADB and the program manager in coordinating all activities under the RETA. This includes liaising with participating research institutes within and outside the selected networks, and helping to monitor RETA progress and its administration.
- (ii) Assist in organizing seminars and workshops under the RETA by taking care of all logistical arrangements, including travel, hotel reservations and venue arrangements.
- (iii) Assist in organizing and implementing steering committee meetings.
- (iv) Assist ADB and the program manager in preparing, disseminating and publishing RETA outputs.
- (v) Assist in managing the websites of ADB and research institute networks.