

**ASIAN DEVELOPMENT BANK**

**TAR: OTH 35472**

**TECHNICAL ASSISTANCE**

(Cofinanced by the Governments of Australia and United Kingdom)

**FOR**

**A FRAMEWORK**

**FOR**

**ADB-NGO COOPERATION**

**February 2002**

## **ABBREVIATIONS**

ADB	–	Asian Development Bank
AusAID	–	Australian Agency for International Development
DMC	–	developing member country
NGO	–	nongovernment organization
NGOC	–	NGO Center
TA	–	technical assistance

## I. INTRODUCTION

1. In May 2000, the President of the Asian Development Bank (ADB) formed a committee to comprehensively review ADB's institutional arrangements for cooperation with nongovernment organizations (NGOs)<sup>1</sup> and to consider whether these were adequate. The committee comprised representatives from Management, department directors, chiefs of offices, and the Secretary. The committee directed a smaller task force within it to prepare the specific proposals. A draft task force report<sup>2</sup> was produced in November 2000, and was followed by a period for public comment. The final report, which incorporated the comments, was endorsed by the President in October 2001. Among the report's main recommendations is that ADB should adopt a mechanism for sustained consultation and dialogue with NGOs.

2. Through this technical assistance (TA), ADB will develop, together with representatives from the NGO community and civil society groups in general, governments, and the private sector, a framework for cooperation with NGOs.<sup>3</sup> A logical framework for the TA is in Appendix 1.

## II. ISSUES OR PROBLEMS

3. ADB's policy on NGO cooperation was initially established in 1987 and substantially broadened in 1998. The primary objective of ADB cooperation with NGOs as envisaged under the policy is to integrate NGO experience, knowledge, and expertise into ADB operations so that the development services provided to developing member countries (DMCs) are more effective, sustainable, and of higher quality. The policy also recognizes NGOs as significant factors in development on operational and advocacy levels.

4. ADB-NGO cooperation is realized through two parallel streams. The first is strategic/thematic institutional cooperation. ADB engages NGOs in continued consultation and dialogue on cross-cutting issues because NGOs are an important external constituency and stakeholder group. ADB's policy mandates consultation and dialogue with NGOs at the overall policy and strategy level as well as at the country and project levels. The objectives are to share information, discuss strategic and thematic issues, and explore directions toward more effective and mutually beneficial engagement.

5. The second stream is operational cooperation at the country and project levels. ADB includes NGOs as important partners in its operations. ADB cooperates with NGOs in a number of ways during programming and loan and TA processing. This may include, for example, engaging NGOs as advisers or resource agencies, consultants, service providers, implementing agencies, monitors, and independent reviewers.

6. While ADB has done much to engage NGOs, the task force recognized that ADB's institutional arrangements and processes for NGO cooperation required significant strengthening to adequately address current and emerging developments in the NGO community and within ADB. In the NGO community, these developments include the emergence of civil society demanding a greater voice and role in decision making; expanding

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<sup>1</sup> The term NGO is used as a generic term of convenience, and should be understood to cover a range of civil society organizations.

<sup>2</sup> *Report of the Task Force on Institutional Arrangements for Cooperation with Nongovernment Organizations*, November 2000, revised September 2001. Much of the "Background and Rationale" section of this TA paper draws directly from the task force report.

<sup>3</sup> The TA first appeared in *ADB Business Opportunities*, Internet Edition, on 30 October 2001.

NGO activism and advocacy; the growing size, influence, and capability of the NGO community in socioeconomic development; the growing diversity in the NGO community; and the evolving nature of NGO-government relationships, particularly in terms of NGO interest in governance processes.

7. At ADB, the renewed dedication to poverty reduction as the institution's overarching objective requires ever greater attention to the benefits that can be gained by strengthening ADB-NGO cooperation. The operating principle of enhancing strategic alliances with other development partners in the DMCs, including NGOs, civil society, and the private sector, figures prominently in ADB's long-term strategic framework for 2001-2015. Additionally, there has been a growing and serious desire within ADB, with the full backing of Management, to develop new and effective modalities for engagement with and participation of NGOs.

8. The task force report is the latest in a series of ADB-NGO cooperation reviews during the past few years. Others have included (i) the 1994 *Report of the Task Force on Improving Project Quality*; (ii) the 1994 staff consultant study, *The Bank's Cooperation with NGOs: A Background Paper*; (iii) the findings of TA 5675-REG: *A Study of NGOs in Asian DMCs*; (iv) the 1999 *Special Evaluation Study of the Role of NGOs in Bank-Assisted Projects* by the Operation Evaluation Office; (v) the 1999 staff consultant report, *Review of the Bank's External Relations Strategy*; and (vi) the annual *Report of Activities in ADB-NGO Cooperation* (since 1996)<sup>4</sup>.

9. The task force found that a major conclusion running through these evaluations was that the institutional arrangements for NGO cooperation could be made more effective and that the current scope of operation and level of resource allocation were inadequate. The evaluations suggested that for ADB to establish more effective and productive relationships with NGOs, greater institutional emphasis and more resources were required, leading to establishment of the NGO Cooperation Network in February 2001, with the NGO Center (NGOC) at its core.

10. A number of additional key findings are particularly relevant to the TA, and include that ADB should (i) adopt a mechanism for sustained consultation and dialogue with NGOs; (ii) adopt an overall, positive, and proactive institutional action plan for NGO cooperation; (iii) establish greater institutional openness to NGOs, including establishing sustainable relationships; and (iv) strengthen channels for communication with NGOs on all aspects of ADB's operations.

11. Drawing on these and other findings, a major recommendation of the task force was to institutionalize the NGO consultation and dialogue process. It determined that institutionalized, recognized, and effective mechanisms must be established to support ongoing communication between ADB and NGOs. Another major task force recommendation was to develop a medium-term ADB-wide cooperation strategy and action plan for effective implementation of ADB's policy on NGO cooperation. The identification and/or strengthening of these mechanisms for improved communication would, of course, require input from the main stakeholders, i.e., ADB; NGOs and other civil society groups; government; and, where appropriate, the private sector. The TA aims to accomplish improved communication.

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<sup>4</sup> *The 1994 Report of the Task Force on Improving Project Quality: Implementation Status*, April 1995; Viswanath, Vanita. 1994. *The Bank's Cooperation with NGOs: A Background Paper*. Manila: Asian Development Bank; TA 5675-REG: *A Study of NGOs in Asian DMCs*, for \$600,000, approved on 8 March 1996; SST: REG 99027: *Special Evaluation Study of the Role of NGOs and Community-Based Organizations in Asian Development Bank Projects*, December 1999; Vogl, Frank. 1999. *Review of the Bank's External Relations Strategy*. Manila: Asian Development Bank.

### III. THE TECHNICAL ASSISTANCE

#### A. Purpose and Output

12. The objective is to provide a platform for broad-based stakeholder dialogue leading to an understanding on a framework for ADB-NGO cooperation. The understanding will be reached among ADB staff, representative segments of the NGO community and civil society, governments, and the private sector in DMCs. The main output will be a revised and refined medium-term cooperation action plan that reflects this understanding.

#### B. Methodology and Key Activities

13. One regional, three subregional, and approximately nine country consultation workshops will be held. All will be convened in DMCs. In addition, one workshop will be convened in a European country and one in Australia, and a regional workshop on this topic is to be held as part of the NGO activities during ADB's Thirty-fifth Annual Meeting in Shanghai, the People's Republic of China. Workshops in Japan and the United States are expected to be held in 2001 under existing arrangements.

14. The regional consultation workshop will be held at ADB headquarters in Manila. The three subregional consultation workshops will reflect the country coverage of ADB's new organizational structure, i.e., South Asia, East and Central Asia, and Mekong plus Southeast Asia. Pacific Island States are not expected to be included as ongoing mechanisms for ADB-NGO cooperation through the Office of Pacific Operations are satisfactory.

15. The country consultation workshops are expected to be conducted in Bangladesh, Cambodia, Indonesia, Kazakhstan, Lao People's Democratic Republic (PDR), Mongolia, Nepal, Philippines, and Viet Nam, though some flexibility will be maintained in terms of the precise countries. Country selection criteria include one or more of the following considerations (i) demonstration of a high level of interest in ADB activities expressed by NGOs located in that country, (ii) the variety and maturity of the NGO sector, and (iii) countries where the level of ADB assistance is high or there are a number of controversial projects that have attracted the attention of national and international NGOs.

16. Country consultation workshops are expected to be held over a one-day period. Regional and subregional consultation workshops are expected to be held over two days. Workshop agendas may vary somewhat based on consultations with the resource institution (and their consultations with in-country NGOs), government, resident mission or representative office, and regional department. Each entity will be consulted prior to the initiation of any significant activities related to TA implementation, and staff from resident missions will play a prominent role in the workshop proceedings. Workshops will be scheduled to coincide with project or program missions from headquarters, to the extent possible, so as to gain direct input from regional department staff.

17. Major topics to be discussed will include (i) goals and objectives of the cooperation framework; (ii) NGOs' perceptions of their needs for ADB support (e.g., a small grants fund); (iii) constraints to improved ADB-NGO cooperation (e.g., current procurement and other practices that NGOs see as limiting their ability to work closely with ADB); (iv) ways and means for improved cooperation, based on experience; (v) mechanisms to ensure that NGO views regarding ADB policies and operations receive due consideration; and (vi) expected gains from

multisector cooperation among NGOs, civil society, government, ADB, and the private sector. Project-specific and policy discussions will be encouraged only to the extent that they shed light on opportunities for or constraints on ADB-NGO cooperation.

18. Workshop participants will be comprised largely of representatives from the NGO community and civil society in general. An effort will be made to ensure that country consultation workshops include participation from a broad segment of civil society, including rural community groups, women's groups, indigenous groups, and others that often are at the margins of development planning. Representation will also be sought from major government agencies and, where appropriate and useful, the private sector and donor and funding agencies. Each workshop will conclude with an understanding on major conclusions reached, how these conclusions relate to the medium-term cooperation action plan that will be revised by ADB staff during the TA, and any required follow-up actions by workshop participants.

19. The consultation workshops will be unable to accommodate as many people and groups as may wish to attend. Therefore, to get as comprehensive an input as possible, a paper on issues related to the medium-term cooperation strategy will be widely circulated and comments requested. The responses received will in part be used to develop the participant list for subsequent consultation workshops, i.e., NGOs that provide comprehensive or thought-provoking responses will receive special consideration for workshop invitations. The issues paper (and other major TA products) will also be made available for comment on ADB's NGO web site, and could be supplemented with other relevant materials, such as country strategy and program papers. The comments received will be summarized, analyzed, and presented at the workshops. In this way input from civil society at the workshops will extend beyond simply those who are participating in the workshop itself.

### **C. Cost and Financing**

20. The total cost of the TA is estimated at US\$470,000, which will support the preparation and delivery of one regional, three subregional, and nine national consultations, as well as report production and other dissemination activities. Of the total cost, US\$170,000 will be financed by ADB on a grant basis from the ADB-funded TA program, A\$330,000 (US\$160,000 equivalent) will be financed on a grant basis by the Government of Australia, and £100,000 (US\$140,000 equivalent) will be financed also on a grant basis by the Government of the United Kingdom. The Government of Australia will also provide approximately A\$25,000 (US\$13,000) in parallel financing to support participation by an Australian NGO in assisting the NGOC in TA administration (Appendix 2). The detailed cost estimates are shown in Appendix 3.

### **D. Implementation Arrangements**

21. ADB will be the Executing Agency for the TA. ADB's NGOC, in consultation with regional departments, resident missions, and other offices, will be responsible for implementing the TA under the supervision and guidance of the Director General, Regional and Sustainable Development Department. The TA will be implemented in approximately seven months, from about April to October 2002.

22. The NGOC will be assisted in implementing the TA by resource institutions, including NGOs and/or other civil society institutions such as private universities that will be recruited from civil society to help prepare and deliver the consultation workshops under letters of understanding or agreement. The resource institutions will be identified and recruited by the NGOC during the course of TA implementation in consultation with relevant resident missions

and government offices. Selection criteria will include a demonstrable capacity to reach NGOs, community organizations, and other civil society groups throughout the country, subregion, or region; successful organization and delivery of workshops and conferences; prior substantive dealings with ADB or similar institutions in an advocacy, development, or consulting role; and conformity with national accreditation requirements where applicable.

23. The NGOC will be assisted by a member of the Australian NGO community under parallel financing support from the Australian Agency for International Development (AusAID). The member will be responsible for assisting NGOC staff to compile and analyze the results of the preliminary surveys and proceedings from all workshops as a contribution to the medium-term cooperation strategy and action plan. Approximately 2 person-months of services will be provided between April and October 2002. Appendix 2 presents terms of reference for the AusAID-supported NGO member and for the resource institutions that will be assisting in preparing and delivering the workshops.

24. The key TA output will be a summary analysis of findings and understandings achieved during this series of consultations, which in turn will lead to a revised medium-term cooperation action plan that reflects the findings. Other expected outputs will include the printed results and analysis of the survey on issues related to the cooperation action plan, and summary proceedings from each consultation workshop. Each document will be shared with all who participated in the survey and workshops. A less tangible but no less important product is expected to be the start of an improved environment of cooperation between ADB and the Asian NGO community generally.

#### **IV. THE PRESIDENT'S DECISION**

25. The President, acting under the authority delegated by the Board, has approved (i) ADB administering the portion of the technical assistance to be financed by the Government of Australia on a grant basis in an amount of US\$160,000 equivalent; (ii) ADB administering the portion of the technical assistance to be financed by the Government of the United Kingdom on a grant basis in an amount of US\$140,000 equivalent; and (iii) the provision of technical assistance on a grant basis in an amount not exceeding the equivalent of US\$170,000; for the purpose of A Framework for ADB-NGO Cooperation, and hereby reports such action to the Board.

## TECHNICAL ASSISTANCE FRAMEWORK

<b>Design Summary</b>	<b>Performance Indicators/Targets</b>	<b>Monitoring Mechanisms</b>	<b>Assumptions and Risks</b>
<p><b>Goal</b> Improve cooperation between the Asian Development Bank (ADB) and nongovernment organizations (NGOs) to strengthen the effectiveness, sustainability, and quality of development services ADB provides to developing member countries (DMCs).</p>	<p>Proportion of projects in DMCs that includes participation from NGOs increases above the current 57 percent. The number of ADB-NGO cooperation initiatives moves more toward “partnerships” than toward “consultant-client” relationships.</p>	<ul style="list-style-type: none"> <li>• Reports of country programming missions.</li> <li>• Reports of project fact-finding and review missions.</li> <li>• Annual ADB-NGO cooperation report.</li> </ul>	<ul style="list-style-type: none"> <li>• Both sides desire to cooperate.</li> <li>• DMC governments are interested and participate in the process.</li> </ul>
<p><b>Purpose</b> To provide a platform for broad-based stakeholder dialogue leading to understanding on an institutional framework for ADB-NGO cooperation.</p>	<p>A medium-term ADB-NGO cooperation strategy is produced that incorporates a understanding reached by major stakeholders on a framework for ADB-NGO cooperation as a major (but not sole) component.</p>	<p>Feedback from reviewers, including those inside and outside ADB.</p>	<ul style="list-style-type: none"> <li>• Input from a broad range of stakeholders can be achieved.</li> <li>• Broad consensus can be achieved from groups with diverse views and missions.</li> </ul>
<p><b>Outputs</b></p> <ul style="list-style-type: none"> <li>• Proceedings from regional consultation workshop on ADB-NGO cooperation framework in Manila.</li> <li>• Proceedings from subregional workshops in South Asia, East and Central Asia, and Mekong plus Southeast Asia.</li> <li>• Proceedings from about 9 country workshops.</li> <li>• Paper on overall analysis of consultation workshop findings.</li> <li>• A medium-term ADB-NGO cooperation strategy that has been revised based on understanding reached as reflected in the various workshop proceedings.</li> </ul>	<ul style="list-style-type: none"> <li>• About 50 participants from NGOs, governments, ADB, and private sector/funders in Manila and a further total of 30 in Australia and Europe.</li> <li>• Three subregional workshops of about 40 participants each.</li> <li>• About 9 country workshops of about 30 participants each</li> <li>• Understanding reached on major cooperation elements, and ways and means to put them into practice.</li> <li>• Strategy paper is widely viewed as appropriate and authoritative both inside and outside ADB.</li> </ul>	<ul style="list-style-type: none"> <li>• Workshop proceedings.</li> <li>• Workshop evaluation by participants.</li> <li>• Feedback from reviewers.</li> </ul>	<ul style="list-style-type: none"> <li>• Credible resource institutions can be found in each country and subregion.</li> <li>• Pre-workshop materials receive wide reading and response.</li> <li>• Workshop participants reflect a reasonable representation of NGOs, government offices, and other stakeholders.</li> <li>• Broad consensus can be reached at the workshops.</li> </ul>

Design Summary	Performance Indicators/Targets	Monitoring Mechanisms	Assumptions and Risks
<p><b>Activities</b></p> <ul style="list-style-type: none"> <li>• Planning and design of workshops, including preworkshop information packets and questionnaires.</li> <li>• Recruitment of local resource institutions to organize and run workshops.</li> <li>• Implementation of workshops.</li> <li>• Documentation, including posting issues paper and workshop proceedings on web site.</li> <li>• Analysis of all proceedings.</li> <li>• Revision of medium-term strategy on ADB-NGO cooperation.</li> </ul>	<ul style="list-style-type: none"> <li>• Timely design of preworkshop information packets and questionnaires, and other workshop planning to meet scheduling targets.</li> <li>• Timely recruitment of local resource institutions.</li> <li>• Timely production of all documentation.</li> </ul>	<p>Internal TA monitoring of implementation schedule.</p>	<ul style="list-style-type: none"> <li>• Staff time required for design and preparation of workshop materials and for participation at workshops will not be diverted for other purposes.</li> <li>• Selected resource institutions are motivated and competent.</li> <li>• Skilled facilitators can be recruited for workshops.</li> </ul>
<p><b>Inputs</b></p> <ul style="list-style-type: none"> <li>• Resource institutions and conduct of regional workshop.</li> <li>• Resource institutions and conduct of 3 subregional workshops.</li> <li>• Resource institutions and conduct of 9 country workshops.</li> <li>• Analytical support from Australian civil society organization.</li> </ul>	<ul style="list-style-type: none"> <li>• \$100,000</li> <li>• \$240,000</li> <li>• \$60,000</li> </ul> <p>Total = \$470,000</p> <ul style="list-style-type: none"> <li>• 2 person-months (parallel financing)</li> </ul>		

## OUTLINE TERMS OF REFERENCE FOR RESOURCE INSTITUTIONS

### A. Technical Assistance Analytical Support

1. The Government of Australia will provide assistance, under parallel financing, to assist in compiling documents for and analyzing the results of consultation workshops as a contribution to the medium-term cooperation strategy and action plan. An Australian community development advisor (CDA) will be selected to undertake this work. The CDA will be based in Manila at ADB headquarters and contribute approximately two person-months over the seven-month period of technical assistance (TA) implementation. The staff member will report to the head of the NGO Center of the Asian Development Bank (ADB).

2. The selected CDA will have experience working with the nongovernment organization (NGO) community in the Asia and Pacific region, including public consultation and participatory practices. The selected CDA will be conversant with the nature of and issues related to socioeconomic development in the region, and the role of multilateral development banks. Specific knowledge about ADB and its operations will be advantageous. The staff member will have excellent language and interpersonal skills.

3. Specific tasks will include, but may not be limited to, the following:

- (i) Prepare a detailed work plan together with ADB staff that conforms with the overall TA implementation schedule.
- (ii) Assist ADB to prepare, and to compile and analyze responses to, workshop issue papers. Provide the analysis in a report for ADB staff review and presentation at the country consultation workshops. A cumulative analysis and reporting also will eventually be done for all the surveys.
- (iii) Assist ADB to identify appropriate resource institutions.
- (iv) Help ADB to analyze the cumulative results of all workshops in terms of the workshops' implications for the medium-term cooperation strategy. This will include preparing a draft of a small publication on the key issues and understandings reached.
- (v) Assist with arrangements for a meeting with Australian NGO and government representatives.
- (vi) Participate in selected workshops. Depending on availability, this should especially include the regional consultation workshop in Manila, as well as country and subregional workshops.

### B. Consultations: Preparation, Delivery, and Reporting

4. A locally-based resource institution, expected to be an NGO or other civil society group, will assist ADB in coordinating, organizing, convening, and reporting on regional, subregional, and national consultations. The selected resource institution will ensure that ADB stakeholders from the NGO community and the broader civil society, governments, and (where appropriate) private sector and donor and funding community are represented. For national consultations, a

special effort will be made to include groups representing the rural poor, women, indigenous people, and other vulnerable groups.

5. ADB will in turn provide all necessary documents and guidance in carrying out the tasks, and a generic consultation workshop agenda. At least one ADB staff member will participate in each workshop.

6. Specific tasks will include, but may not be limited to, the following:

- (i) Assist ADB in the identification of stakeholders and workshop participants. Develop a list of potential stakeholders and participants for ADB's review.
- (ii) Translate and disseminate to the agreed list of stakeholders for comment a draft issues paper on the medium-term ADB-NGO cooperation strategy.
- (iii) Translate written comments into the English language and provide this to ADB in electronic form.
- (iv) Make all preparations for convening a one-day national (or two-day regional and subregional) consultation workshop, e.g., invitations, venue, meals, equipment, materials, etc., and undertake all necessary follow up to ensure the expected level and type of participation.
- (v) Provide a skilled facilitator to prepare for and facilitate a participatory process at the workshop.
- (vi) Provide rapporteuring that will be responsible for documenting and synthesizing discussion at the workshop, including producing summary workshop proceedings.
- (vii) Provide the synthesis and summary proceedings to ADB in a format to be agreed.
- (viii) Report the synthesis and next steps back to the workshop participants and thank them for their participation.

**COST ESTIMATES AND FINANCING PLAN**  
(‘000)

Item	Total Cost	
<b>A. Asian Development Bank Financing</b>		
1. Consultation Workshops <sup>a</sup>		
a. Regional <sup>b</sup>	US\$80.0	US\$80.0
b. Subregional <sup>c</sup>	10.0	10.0
c. National <sup>d</sup>	10.0	10.0
2. Reports and Communications	5.0	5.0
3. Miscellaneous Administration and Support Costs	5.0	5.0
4. Contingencies	60.0	60.0
<b>Subtotal (A)</b>	<b>US\$170.0</b>	<b>US\$170.0</b>
<b>B. Government of Australia Financing<sup>e</sup></b>		
1. Consultation Workshops <sup>a</sup>		
a. Regional <sup>b</sup>	A\$20.6	US\$10.0
b. Subregional <sup>c</sup>	226.9	110.0
c. National <sup>d</sup>	82.5	40.0
2. Reports and Communications	0.0	0.0
3. Miscellaneous Administration and Support Costs	0.0	0.0
4. Contingencies	0.0	0.0
<b>Subtotal (B)</b>	<b>A\$330.0</b>	<b>US\$160.0</b>
<b>C. Government of the United Kingdom Financing</b>		
1. Consultation Workshops <sup>a</sup>		
a. Regional <sup>b</sup>	£7.1	US\$10.0
b. Subregional <sup>c</sup>	85.8	120.0
c. National <sup>d</sup>	7.1	10.0
2. Reports and Communications	0.0	0.0
3. Miscellaneous Administration and Support Costs	0.0	0.0
4. Contingencies	0.0	0.0
<b>Subtotal (C)</b>	<b>£100.0</b>	<b>US\$140.0</b>
<b>Total</b>		<b>US\$470.0</b>

<sup>a</sup> Workshop costs include airfare and subsistence for participants, translation, facilitator, rapporteur, and snacks. It also includes a total of \$1,500 in representation expenses.

<sup>b</sup> 50 participants for a two-day workshop in Manila plus minor expenses for workshops in Australia and Europe.

<sup>c</sup> 30-40 participants for each of three two-day workshops at a subregional center.

<sup>d</sup> 20-30 participants for 9 one-day workshops normally at the national capital.

<sup>e</sup> The Government of Australia will support, under parallel financing, a member of the Australian NGO community to assist ADB with TA administration. This will include a total estimated budget of US\$13,000.

Source: Staff estimates.