

ASIAN DEVELOPMENT BANK

**REVIEW OF THE
GOVERNANCE COOPERATION FUND**

December 2003

ABBREVIATIONS

| | | |
|-------|---|---|
| ADB | – | Asian Development Bank |
| CSP | – | country strategy and program |
| GC | – | Governance Committee |
| GCF | – | Governance Cooperation Fund |
| GCFRC | – | Governance Cooperation Fund Review Committee |
| NGO | – | nongovernmental organization |
| RD | – | regional department |
| RSDD | – | Regional and Sustainable Development Department |
| RSGR | – | Governance and Regional Cooperation Division |

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I. BACKGROUND

A. Governance Cooperation Fund

1. In November 2001, the Asian Development Bank (ADB) approved the establishment of the Governance Cooperation Fund (GCF)¹ as a multi-donor umbrella facility with the aim to support government-led governance reforms. The GCF finances technical assistance (TA) grants for the provision of policy advice, project preparation, training, capacity building, and institutional support activities.

2. The Government of Canada pledged Can\$2.5 million (about US\$1.6 million equivalent) in 2001, and the Government of Norway Nkr15 million (about US\$ 2.1 million equivalent) in 2002. The Government of Denmark has informed ADB that they are considering pledging the equivalent of US\$1.5 million to the GCF; negotiations are ongoing. Following the agreed payment schedule, contributions were made, so far, over three years for a total amount of \$2.5 million, and US\$1.1 million are expected in 2004 (not counting additional contributions from the third donor).

3. The GCF is accessed by application. Once endorsed,² the GCF application is developed into a full TA, which is approved following ADB's regular business processes.

B. Purpose of the Report and Objectives of the Review

4. The Governance and Regional Cooperation Division (RSGR) – located in Regional and Sustainable Development Department (RSDD) – administers the GCF.

5. RSGR felt it necessary to review GCF operating arrangements and selection criteria, which had been designed before ADB's reorganization. In addition, concerns were raised about the regional distribution of endorsed proposals. The GCF Review was undertaken to (i) examine the GCF administration process; (ii) review the eligibility parameters and the selection criteria of GCF proposals; and (iii) identify and elaborate on issues for discussion by donors and ADB management for the continued operation and possible expansion of the GCF. The Review does not cover the period after GCF proposals were endorsed (cleared for processing), i.e., does not review TA processing, design, implementation, or outcomes.

6. The Review was undertaken by an interdepartmental team,³ which met stakeholders across ADB, including director generals, deputy-director generals, directors from governance and finance divisions and from operations coordination divisions, and staff from a cross-section of divisions. Appendix 1 provides a list of people met. Staff in resident missions was invited (without success) to participate in meetings via videoconference, but inputs were received in writing. The Review was undertaken between September and November 2003.

7. This report provides the findings of the Review. It presents issues discussed during stakeholders meetings and makes recommendations on that basis. The report is structured as follows: overview of guidelines and current practices (Chapter II), key issues (Chapter III), and recommendations (Chapter IV).

¹ ADB. 2001. *Governance Cooperation Fund*. Manila.

² The Review uses the term "endorsement" for GCF applications rather than approval, to avoid confusion with TA approvals.

³ Caroline Heider (Principal Evaluation Specialist, OED2, Team Leader), Ayumi Konishi (Director, SEGF), Riccardo Loi (Principal Cofinancing Specialist, OCO), Asha Newsum (Principal Governance Specialist, RSGR), and Elizabeth Valmores (Administrative Assistant, RSGR).

II. FINDINGS

A. Use of Funds

8. In 2002, eleven applications were received for a total of US\$3.4 million, of which five proposals were endorsed for \$720,000. The number of applications increased in 2003 to 23 for a total of \$4.9 million, of which 9 proposals were endorsed for US\$1.7 million. Appendix 2 provides an overview of applications and endorsements per year. A total of 34 applications were received in 2002 and 2003 for US\$8.3 million, of which 14 were endorsed for \$2.4 million, almost entirely exhausting available contributions. 29% of funding requirements of all applications met. All of the endorsed proposals resulted in approved TAs, with five of them drawing on additional funding sources for US\$2.2 million. All TAs are under implementation. Appendix 3 provides a list of TAs.

9. The geographical distribution (Table 1) shows that the majority of applications (in terms of numbers) came from the East and Central Asia and the Mekong regions, followed by the Pacific and South-East Asia, South Asia, and regional TAs.⁴ In terms of endorsements, the Mekong was most successful (receiving 56% of total), followed by East and Central Asia (33% of total), the Pacific, South Asia, and regional TAs (22% of total each). No proposals for South-East Asia were endorsed.

Table 1: Geographical Distribution of Applications and Endorsements
(2002 and 2003)

| Region | Number | | | | | Amount (\$'000) | | |
|--------------|--------------|------------|--------------|------------|------------------|-----------------|--------------|------------------|
| | Applications | % of Total | Endorsements | % of Total | Endorsement Rate | Applications | Endorsements | Endorsement Rate |
| EC | 10 | 43% | 3 | 33% | 30% | 2,470 | 450 | 18% |
| MK | 10 | 43% | 5 | 56% | 50% | 2,460 | 860 | 35% |
| PA | 4 | 17% | 2 | 22% | 50% | 1,020 | 450 | 44% |
| Regional | 3 | 13% | 2 | 22% | 75% | 400 | 250 | 63% |
| SA | 3 | 13% | 2 | 22% | 67% | 620 | 370 | 60% |
| SE | 4 | 17% | – | – | – | 1,360 | – | – |
| Total | 34 | | 14 | | 41% | 8,330 | 2,380 | 29% |

– = nil; EC = East and Central Asia; MK = Mekong; OGC = Office of General Counsel; PA = Pacific; RSDD = Regional and Sustainable Development Department; SA = South Asia; SE = South-East Asia.

Note: Approval rate means the percentage of applications made by the department that were endorsed. Each region may include sub-regional TAs, such as for several countries in the Pacific, which are not counted under the category “regional.”

10. The Mekong received the largest amount of funding from the GCF (36% of total funds), followed by East and Central Asia and the Pacific (19% each), South Asia (16%), and 10% for regional TAs sponsored. The endorsement rates were highest for regional TAs (63%), followed by South Asia (60%), and the Pacific (44%) as the three frontrunners. While the Mekong received the largest amount of funding, only 35% of their financial requirements were met, indicating the potential for future GCF proposals in that department alone. South-East Asia did not receive any funding from GCF, although proposals had been put forth in the tune of \$1.4 million or 16% of total applications in terms of amounts. Among the countries that received funding are: Bangladesh, Cambodia, Kazakhstan (2 proposals), Lao People’s Democratic Republic (2 proposals), Pakistan, Thailand, and five regional TAs.

⁴ These TAs were sponsored by the Office of the General Counsel and the Regional and Sustainable Development Department.

11. The majority of applications and endorsements came from governance and finance divisions (60% of applications and 64% of total endorsements, with a 45% endorsement rate), followed by others (footnote 4) with 18% of applications and 21% of total endorsements (50% endorsement rate), and resident missions (15% of applications, but no endorsements). All sector divisions⁵ collectively made five applications, of which four were endorsed.

B. GCF Objectives

12. The GCF was established to help implement ADB's medium-term agenda and action for governance,⁶ and thus supports attaining goals stated in that paper. The GCF does not specify a separate objective for the fund. Instead, the paper repeats the five objectives of ADB's governance policy (each of which is broad and encompasses a number of sub-objectives), the four dimensions of governance (transparency, accountability, predictability, and participation), eight sub-areas of governance (listed in an appendix to the GCF paper), and two additional criteria: a strong link to ADB's country strategies and programs (CSP), and concrete contributions to poverty reduction. The scope that proposals may have includes consultants, capacity building activities for non-government development agents (including small capital investments), seed funding for pilot innovative activities, and studies that will have an impact on governance reforms.

C. Eligibility

13. The GCF paper provided "broad eligibility parameters" (para. 12). Other, more detailed criteria were to be developed once the GCF paper was approved. In practice, criteria were set out in the invitation of applications⁷ and included the four dimensions of governance and the eight sub-areas of governance. The invitation memo also required proposals to (i) be an integral part of CSPs, or sub-regional or inter-regional strategy (rather than have a strong link); (ii) strengthen the enabling environment for poverty reduction or make a direct contribution; (iii) contribute to an ongoing project/program or sector plan (should not be a stand-alone activity); (iv) have an element of innovation and learning outcome; (v) offer opportunities for replication; and that (vi) preference would be given to proposals seeking cofinancing with other sources of funding.

14. Applications are open to all departments and offices (GCF paper). The invitation for proposals further stated that no one single department would access more than 50% of the total amount of funding during one year. All RDs and two non-operations departments have applied to the GCF (para. 9 and Table 1), and the threshold of 50% funding per department was not passed in either of the years (the highest percentage of endorsements in US dollar terms was 24%). However, applications from divisions other than governance and finance are under-represented (15% of total applications), if governance issues were to be mainstreamed into ADB's sector work.

15. The GCF paper further more stated that the fund could respond to outside parties, such as nongovernmental organizations (NGOs) provided the relevant department within ADB sponsored the proposal. However, executing agencies for any proposals would be DMC government agencies with NGOs possibly playing a role in designing, implementing, or monitoring TAs. In practice, ADB funding is normally channeled through developing member country (DMC) governments – directly or indirectly. There are no provisions for direct applications of NGOs to ADB for funding without DMC government clearance.

⁵ Agriculture and environment, infrastructure development, and social sectors.

⁶ ADB. 2000. *Promoting Good Governance: ADB's Medium-Term Agenda and Action Plan*. Manila

⁷ A memorandum issued by RSGR to director generals to RDs.

D. Procedures

16. The GCF paper (footnote 1) was prepared and approved before ADB's reorganization at the end of 2001. In recognition of the need for changes that would follow from the reorganization, the paper stated that procedures were of interim nature. After reorganization, the senior director of RSGR issued revised procedures prior to the invitation of proposals for the 2002 selection.

17. The GCF paper foresaw a two-stage approach for developing and endorsing GCF proposals: (i) the sponsoring department was to prepare a concept paper in consultation with concerned DMC government or NGOs, and based on that concept paper prepare a proposal that meets GCF criteria (specified in the GCF paper). The predecessor of RSGR⁸ was to provide assistance in this process and was to be the focal point and central channel of communication between various departments; and (ii) submit the proposal to the GCF Review Committee (GCFRC) for clearance. RSGR was to serve as the secretariat to the committee, collate and organize papers for meetings, and process cleared proposals. The GCFRC was to meet once every two months to discuss and clear proposals based on eligibility criteria. The chairpersonship of the committee would rotate on a bi-monthly basis among members. TAs were to be processed according to ADB's standard practices for TAs with the exception that proposals for more than US\$250,000 required donor clearance. In 2002 and 2003, all proposals were endorsed for funding of US\$250,000 or less.

18. Since ADB's reorganization, the actual procedures still follow a two-stage approach, but with the following changes:

- (i) The Governance Committee (GC) was established, with among others, responsibilities for reviewing and endorsing applications to the GCF. The composition of the GC meets the specifications for the GCFRC;
- (ii) A senior governance specialist, RSGR chairs the GC, with the director of RSGR as the alternate. However, contrary to the GCF paper, responsibilities for chairing the GC does not rotate;
- (iii) Governance specialists in RDs are expected to provide assistance in preparing proposals, rather than RSGR. The latter remains the focal point for GCF administration, communication with all RDs, and coordination between applicants and the GC;
- (iv) In 2002, a concept paper and an application form were needed, while in 2003 a logical framework became an additional requirement to the other 2 papers;
- (v) In 2003, a one-stage clarification process was introduced, whereby GC members can request information for clarification from applicants to help in the assessment, rating, and ranking of applications;
- (vi) Once cleared by the GC, proposals are processed according to ADB's business processes for TAs, i.e., they are not submitted through RSGR for approval; and
- (vii) The approval of proposals is processed in batches, once per year rather than on an ongoing basis every two months.

19. The GCF is currently being managed and administered by RSGR and this involves among other things: (i) managing the annual selection process; (ii) issuing invitations to submit proposals; (iii) coordinating with the regional departments, GC, governance specialists and

⁸ After ADB's reorganization, RSGR took on the responsibilities of its predecessor that was located in the Strategy and Policy Department. The report refers to RSGR for simplicity reasons.

applicants for about 2.5 months during the selection period, (iii) acting as secretariat to the GC during the selection process; (iv) producing briefing and status reports of the fund; and (v) liaising with the cofinancing office on fund allocations and donor communications. No additional administrative resources have been allocated to RSGR to administer the GCF. Administrative resource constraints have precluded the development and implementation of a user-friendly information and communication system for the GCF.

E. Assessment Criteria and Selection Process

20. Endorsement is based on merit rather than on other criteria, such as geographical distribution. The eligibility criteria described in the GCF paper (para. 13) were supplemented with five selection criteria defined in the application/assessment form, which are rated and used in the ranking. They include the contribution of the proposal to the CSP and to poverty reduction, the proposal's innovativeness, possibilities for replication, and expected learning outcome. In addition, GC members take into account information provided in the other two documents submitted with the application (i.e., the concept paper and the logical framework) and clarifications, if requested (for 2003 applications).

21. In practice, the 2002-round of applications were discussed among GC members, who then agreed which proposals should be endorsed. The results of the assessment were communicated to RDs and other departments, together with the minutes of the GC meeting that included reasons for selecting the endorsed proposals. In 2003, GC members individually reviewed proposals and submitted the application/ assessment form with ratings, which were consolidated and tabulated by RSGR. The GC's discussion focused on decisions regarding the cut-off (more proposals than available funding had been received), while endorsing the top listed proposals. The memo communicating the GC's decision included the list of all proposals and the ranking of each, but without providing reasons for choices that had been made.

III. KEY ISSUES

A. Focus and Impact

22. In discussions with stakeholders within ADB, the single most mentioned objective was that of innovation, i.e., doing something different but complementary to ADB's regular loan or TA work. However, there was no common agreement on a single objective of the fund, or the clarity thereof, which is not surprising given the number of objectives and criteria that the fund aspires to.

23. **Broad Focus.** The broad range of objectives (para. 12) has the advantage of allowing an equally broad range of proposals to be considered to meet the demands of various stakeholders in DMCs, numerous donor priorities, and a variety of areas of specialization of ADB staff. It should also facilitate the use of the resources, as potentially more applications can be expected, if the objectives and scope of the fund are broad. However, the lack of a clear focus (a single objective) has repercussions for the selection and endorsement of proposals (para. 25), the impact expected from GCF activities, and measurement thereof, and the potential risk to attract proposals looking for a "slush fund" source of financing rather than well conceived governance assistance.

24. **Expected Impact.** The importance of attaining a demonstrated impact was well recognized by stakeholders within ADB. However, the broad spectrum of objectives does not allow the rather scarce resources to be focused on and used in strategic areas with potential

high impact, or for the impact to be measured. The GCF paper does not specify at what level the fund is expected to generate outcomes.⁹

B. Selection Criteria

25. **Multiple Sets of Criteria.** A number of sets of criteria exist for eligibility (para. 13) and for selection (para. 20). This situation resulted from but also added to the lack of focus of the fund. As a result, a diverse range of proposals were received, but were difficult to compare and rank. In addition, departments did not interpret eligibility criteria consistently and, thus, some staff submitted (successful) proposals in areas where others had been advised not to submit proposals at all.

26. **Clarity of Criteria.** The current criteria are not specific with the following consequences: (i) applicants (unless they are involved in the GC) cannot anticipate how their proposals will be assessed, which affects preparation and quality of proposals and understanding of and attitudes towards decisions; (ii) accentuates the element of subjectivity in the selection process that may be larger (due to broad criteria) than desirable for transparency purposes; and (iii) makes it even more difficult to compare proposals in different areas of governance. The GC tried to address the element of subjectivity by introducing a quantified assessment system, which lends itself to numerical ranking of proposals. The system, however, does not overcome problems with subjective interpretation of broad criteria or clarify for applicants how their proposals will be or were assessed. Regardless of these difficulties, there was agreement among GC members about the best applications and those that were insufficient to meet to desired standards.

27. **Merit-based Selection.** The majority of stakeholders within ADB agreed with the GCF policy to endorse proposals on the basis of their merit rather than based on a pre-determined allocation. However, criteria should be specified more clearly and results communicated so that applicants can learn from their experience.

C. Roles and Responsibilities

28. **Multiple Roles.** Arrangements have been made to eliminate conflicts of interest inherent in the situation that staff can play multiple roles simultaneously – applicant, advisor to other applicants (governance specialist), and assessor (GC member) – by excluding GC members from assessing proposals from their own RD. The majority of applications had come from staff who were neither a GC member, nor a governance specialist, and these applicants were successful in obtaining funding from the GCF.

29. **Endorsement Authority.** The GC is the ultimate body to endorse funding from the GCF. The majority of stakeholders within ADB expressed confidence in this organizational arrangement, given that there is an inter-departmental representation and that staff have a certain level of seniority and experience.¹⁰

D. Procedures

30. **Harmonization.** GCF deliberately chose to use the same procedures that apply to ADB's regular TA operations, the only exception being the screening and approval of

⁹ Options could include: (i) a collective impact of all GCF-financed activities to meet a specific objective of the fund; (ii) an institutional impact to change part of ADB's operating modalities; (iii) an impact at country level, which is implied in the link to CSPs, and possibly could justify core governance activities; or (iv) an impact at project level, which would imply a greater integration with operations (dealing with governance in sector management), as also specified as one of the criteria.

¹⁰ However, one stakeholder felt that the responsibility for assessing proposals and for endorsing them should be separated, and that a higher authority should make final decisions.

applications (concept papers) by the GC. The use of the same procedures has the advantage that little extra effort is required from staff to apply to, process, and implement the TA.

31. **Timing.** Instead of processing proposals throughout the year, all proposals are invited at one point in time (para. 18), which is necessary to select proposals based on merit. Proposals developed after the deadline for submission cannot be considered, which some stakeholders felt limited the flexibility of the fund. In addition, the timing of the process is not synchronized with the CSP process, which counters the desired close link between CSP and proposals (para. 13).

E. GCF Administration

32. No system or a focal point is in place in RDs for managing, communicating, coordinating and prioritizing GCF applications either at departmental or country levels. Individuals including staff from resident missions apply directly to RSGR. This has led to instances where there have been delays in applicants receiving information about the deadline for GCF applications and missed opportunities. Without a focal point, it is not always clear whether applications have been validated before submission as being consistent with CSPs and their role in contributing concretely (direct or enabling) to the country's poverty reduction strategy.

F. Communication

33. **Communicating with Applicants.** Some applicants received information about the GCF (availability, purpose, criteria, etc.) late. The limited number of pure applicants (with no involvement in the GC) does not allow conclusions whether this issue has been significant. Consensus existed among a large number of stakeholders that more communication was required on the criteria used for and the results of the assessment process.

34. **Fund Management.** Management information on the GCF and its implementation (e.g., summary data on applications and endorsements, subsequent TA approvals, etc.) was not available, but prepared at the request of the Review Team.

35. **Reporting Results.** The GCF paper requires that, in accordance with ADB guidelines, TA completion reports be prepared and that, for GCF-financed TAs, they are discussed by the GC. So far, none of the TAs has been completed, but stakeholders agreed that the current format of the TA completion report might not be sufficient and adequate to the strong focus on learning that the GCF has, as expressed in the selection criteria (para. 13)

IV. RECOMMENDATIONS

A. Focus

36. The GCF needs to be clearly focused on selected and specific governance objectives, which will help distinguish the GCF from other trust funds and will enhance possibilities for assessing outcomes. It is recommended that the GC discusses and agrees on up to three themes that the GCF would address and that should provide a strategic framework for applications and progress reporting to donors.

37. In deciding on these themes, the GC should consider ensuring that (i) governance is mainstreamed into ADB operations, addressing core governance as well as sector-related governance issues; (ii) participation of civil society and nongovernmental organizations is enabled; and (iii) feedback from donors is taken into account (RSGR should brief the GC accordingly). The GC should submit the proposal for approval to director generals of the regional departments and of RSDD.

38. Once approved, the selected themes should be communicated to potential applicants (i.e., staff in RDs) to the fund (the statement can be included in the invitation memo). The themes should be reviewed after two years and revised if necessary.

B. Criteria

39. Eligibility and selection criteria should be specified separately. Eligibility criteria constitute the “first pass” mark – proposals that do not meet these criteria do not enter the review process. The selection criteria are used in assessing and endorsing proposals.

40. Based on the GCF themes, the GC should determine clear eligibility criteria, which require an application to illustrate how it will contribute to the GCF themes. The eligibility criteria should be specific and help applicants determine what proposals can be submitted to the GCF. In addition to eligibility criteria linked to the GCF themes, the eligibility criteria in the GC paper should be maintained, i.e., contribution to poverty reduction and link to the CSP. A final eligibility criterion should be that governance specialists in RDs counter-sign applications.

41. Selection or assessment criteria, presently stated in the application/assessment form, should be revised. Two of the five criteria (contributions to poverty reduction and link to the CSP) are eligibility criteria (“first pass”) and, therefore, do not need to be considered in the selection process. Other criteria are needed to assess the quality of applications. The Review Team recommends that the following assessment criteria be adopted: (i) expected outcomes (purpose and outputs) are realistic and in line with the GCF objective;¹¹ (ii) the proposal is cost-effective, i.e., the cost of producing expected outcomes are most economic (least cost options); (iii) the risks to attaining outcomes and requisite mitigation measures are stated in the proposal;¹² (iv) to ensure clarity of what the proposal aims to attain, the logical framework should contain indicators, baseline information, and measurable targets, and methods for data collection/monitoring are identified; and (v) the proposal specifies the extent to which innovative approaches¹³ will be tried and how lessons from those tests will be incorporated into future activities in the DMC(s) and in ADB.¹⁴

C. Quality Assurance

42. Each regional department should develop appropriate internal screening mechanisms to ensure the relevance and the quality of proposal to be submitted.

D. Selection Process

43. Instead of the current numerical ranking system, proposals should be grouped into three categories: (i) proposal that were endorsed by the GC as fully meeting the selection criteria and being outstanding; (ii) cases where the GC agrees the proposals hold merit, but are of similar quality so that ranking becomes difficult; and (iii) proposals that are rejected. Should funding be available for more proposals than those that are endorsed, the second category of proposals (undecided by the GC) should be presented to the director generals of the regional departments and of RSDD for decision-making.

44. Endorsement of applications should continue to be based on merit.

¹¹ While this is an eligibility criterion, it is important that this aspect be verified during selection to ensure application have a clear focus on the selected governance themes.

¹² Proposals that are innovative may have a higher risk factor, which if managed well should be a positive aspect of the proposal.

¹³ Innovative approaches can include approaches that have been tried elsewhere, but have not been adopted in ADB and that aim to introduce new ways of working into ADB.

¹⁴ Applications should specify the future user groups and in what areas lessons would find application.

45. RSGR should monitor the regional balance of the use of funds and maintain the current condition that not more than 50% of the GCF be spent in one region. Given the small size of the GCF, not more than one proposal per country should be endorsed per year. Should one country have been successful with a proposal, while another proposal for the same country is of equal quality to proposals from other countries/region, proposals from other countries may be prioritized. RSGR should inform the GC of the regional balance of endorsed proposals.

E. Communication

46. The timing of the process should be aligned with the CSP cycle, i.e., all proposals should be endorsed by September of each year so that they can be discussed with recipient DMCs during subsequent country confirmation missions (taking place during the last quarter of the year). This alignment will increase predictability of available funding and help secure DMC government commitment to TAs. For 2004, it will be necessary to endorse two batches of proposals, one in January/February 2004 (for funding in 2004),¹⁵ and one in September (proposals to be funded in 2005). From 2005 onward, there should be only one batch processing in September of each year, with TAs to be approved the following year.

47. It is recommended that RSGR use email (ADB Today) to announce during the annual processing cycle the availability of GCF finance, application requirements and procedures to ensure all potential applicants have access to information in a timely manner. The announcement should be made early in the year to provide sufficient lead-time to staff preparing proposals. Reminders should be sent about application deadlines and deadlines for finalizing TA processing to ensure timely preparation and submission of applications and TA papers after endorsement.

48. It is also recommended that the GC provide reasons for accepting/rejecting proposals and that RSGR (as the secretariat that administers the GCF) informs management and applicants not only of the results of the selection process, as has been done in the past, but also provides reasons for accepting or rejecting proposals. This communication will enhance the transparency of the results and the potential to learn from the application process.

49. Completion reporting should continue in line with ADB standards to ensure harmonization of procedures. Additional reporting may be considered in the context of annual reports on the GCF to donors.

50. Within regional departments, governance specialists need to become the GCF focal point in terms of communicating and advising colleagues on preparing proposals. This role needs to be recognized in their terms of reference and in their performance reports.

F. Resources

51. Resources should be allocated to ensure information on the GCF is available on ADB's Internet site.

52. Provision should be made from the administrative fees for RSGR to hire a part-time consultant to assist with the administration, information management and secretariat functions associated with the GCF.

¹⁵ If it is not possible for the GC to agree on three themes and relevant eligibility criteria prior to announcing the availability of GCF finance, the old system should be used for proposals endorsed for 2004 financing.

List of People Met

Management

| | | |
|---------------------|-------------------------|------|
| 1. Heeswijk, Jan | Director General | RSDD |
| 2. Hovland, Jeremy | Director General | PARD |
| 3. Moinuddin, Khaja | Director General | SERD |
| 4. Sakai, Kazu | Deputy Director General | MKRD |

Operations Coordination and Country Team Leaders

| | | |
|----------------------|---|------|
| 1. Vokes, Richard | Director | SAOC |
| 2. Frielink, Barend | Senior Programs Economist | MKOC |
| 3. Gatti, Marco | Senior Country Programs Specialist | ECOC |
| 4. Ho, Sophia | Senior Country Programs Specialist | SAOC |
| 5. Hussain, Abid | Economist/Country Programs Specialist | SAOC |
| 6. Kumar, Rajiv | Principal Economist | ECOC |
| 7. Mellor, Thuy | Financial Management Specialist | PAHQ |
| 8. Ondrik, Richard | Senior Programs Coordination Specialist | PhCO |
| 9. Ra, Sungsup | Economist/Country Programs Specialist | SAOC |
| 10. Subroto, Meriaty | Country Programs Specialist | SAOC |
| 11. Yang, Xiaohong | Project Specialist | ECOC |

Governance and Finance/Poverty Division Directors

| | | |
|-----------------------------|----------|-------------------|
| 1. Boumphrey, Robert | Director | MKGF |
| 2. Gerhaeusser, Klaus | Director | SAGF |
| 3. Jabes, Jak | Director | RSGR |
| 4. Konishi, Ayumi | Director | SEGF |
| 5. Prakash, Brahm | Director | RSPR |
| 6. Siackhachanh, Avonechith | Director | ECGF |
| 7. Siy, Robert | Director | PAHQ (Division 2) |

Governance Committee Members

| | | |
|---------------------------|---|------|
| 1. Jabes, Jak | Director | RSGR |
| 2. Brommelhorster, Jorn | Governance Specialist | RSGR |
| 3. Buentjen, Claudia | Capacity Building Specialist | RSGR |
| 4. Collette, Marilyn | Senior Governance Specialist | RSGR |
| 5. Goswami, Arjun | Senior Governance Specialist | SAGF |
| 6. Leonard, Keith | Senior Evaluation Specialist | OED1 |
| 7. Nicoll, Sandra | Governance Specialist | MKGF |
| 8. Prokop, Michaela | Economist | PAHQ |
| 9. Tas-Anvaripour, Neside | Financial Management Specialist | ECGF |
| 10. Walker, Laura | Governance Specialist | SEGF |
| 11. Wescott, Clay | Principal Regional Cooperation Specialist | RSGR |
| 12. You, Victor | Senior Counsel | OGC |

Governance Specialists (not part of the Governance Committee)

| | | |
|---------------------------------|---------------------------------|------|
| 1. Adhikari, Ramesh (via email) | Principal Governance Specialist | VRM |
| 2. Cheong Hwan Oh | Governance Specialist | ECGF |

Applicants (not part of Governance Committee and not Governance Specialist)

| | | |
|----------------------|---------------------------------------|------|
| 1. Cohen, Marc | Senior Education Specialist | ECSS |
| 2. Hla, Thatha | Financial Economist | SEGF |
| 3. Kriegsmann, Klaus | Senior Financial Sector Specialist | SEGF |
| 4. Shrestha, Sona | Economist | ECGF |
| 5. Varkay, Madeleine | Private Sector Development Specialist | MKGF |

Overview of Applications and Endorsements

| 2002 | | | | | | | | | | |
|-------------------|---------------|----------|-----------|----------|---------------|-------------------------|------------|----------|---------------|--|
| Department | Number | | | | | Amounts (\$'000) | | | | |
| | Applications | Of Total | Approvals | Of Total | Approval Rate | Applications | Approvals | Of Total | Approval Rate | |
| EC | 2 | 18% | – | – | – | 900 | – | – | – | |
| MK | 3 | 27% | 2 | 40% | 67% | 1,300 | 300 | 13% | 23% | |
| OGC | 1 | 9% | 1 | 20% | 100% | 100 | 100 | 4% | 100% | |
| PA | 2 | 18% | 1 | 20% | 50% | 470 | 200 | 8% | 43% | |
| RSDD | – | – | – | – | – | – | – | – | – | |
| SA | 1 | 9% | 1 | 20% | 100% | 120 | 120 | 5% | 100% | |
| SE | 2 | 18% | – | – | – | 500 | – | – | – | |
| Total | 11 | | 5 | | 45% | 3,390 | 720 | | 21% | |

| 2003 | | | | | | | | | | |
|-------------------|---------------|----------|-----------|----------|---------------|-------------------------|--------------|----------|---------------|--|
| Department | Number | | | | | Amounts (\$'000) | | | | |
| | Applications | Of Total | Approvals | Of Total | Approval Rate | Applications | Approvals | Of Total | Approval Rate | |
| EC | 8 | 35% | 3 | 33% | 38% | 1,570 | 450 | 19% | 29% | |
| MK | 7 | 30% | 3 | 33% | 43% | 1,160 | 560 | 24% | 48% | |
| OGC | 1 | 4% | – | – | – | 150 | – | – | – | |
| PA | 2 | 9% | 1 | 11% | 50% | 550 | 250 | 11% | 45% | |
| RSDD | 1 | 4% | 1 | 11% | 100% | 150 | 150 | 6% | 100% | |
| SA | 2 | 9% | 1 | 11% | 50% | 500 | 250 | 11% | 50% | |
| SE | 2 | 9% | – | – | – | 860 | – | – | – | |
| Total | 23 | | 9 | | 39% | 4,940 | 1,660 | | 34% | |

– = nil; EC = East and Central Asia; MK = Mekong; OGC = Office of General Counsel; PA = Pacific; RSDD = Regional and Sustainable Development Department; SA = South Asia; SE = South-East Asia.

Note: Approval rate means the percentage of applications made by the department that were endorsed.

Governance Cooperation Fund Financed Technical Assistance

Dates

| TA Number and Title | GCF Approval | TA Approval Date | TA Status | Expected Completion |
|---|-----------------|------------------------|----------------|------------------------|
| 2002 | | | | |
| 3976 THA: Strengthening Accountability Mechanisms II | 26-Apr-02 | 05-Nov-02 | ongoing | 30-Apr-04 |
| 4002 LAO: Strengthening Corporate Governance & Management of State-owned Commercial Banks II | 26-Apr-02 | 28-Nov-02 | ongoing | 31-Dec-06 |
| 4043 PAK: Strengthening the National Accountability Bureau | 26-Apr-02 | 18-Dec-02 | ongoing | 31-Mar-04 |
| 6063 RETA: Public Opinion Surveys on Judicial Independence & Accountability | 26-Apr-02 | 07-Nov-02 | ongoing | 31-Dec-03 |
| 6065 RETA: Assessing Community Perspectives on Governance in the Pacific | 26-Apr-02 | 15-Nov-02 | ongoing | 31-Aug-03 |
| 2003 | | | | |
| 4140 BAN: Supporting Good Governance Initiatives | 15-May-03 | 04-Jul-03 | ongoing | 31-May-04 |
| 4163 VIE: Provincial Development Planning in the Central Highlands | 15-May-03 | 20-Aug-03 | ongoing | 30-Nov-04 |
| 4169 CAM: Capacity Building of Electricity Authority | 15-May-03 | 02-Sep-03 | ongoing | 30-Apr-04 |
| 4190 KAZ: Supporting Local Government Reforms | 15-May-03 | 06-Oct-03 | ongoing | |
| 4191 KAZ: Strengthening Government Program Performance | 15-May-03 | 06-Oct-03 | ongoing | |
| 6117 RETA: Promoting Knowledge Transfer Through Diaspora | 15-May-03 | 13-Aug-03 | ongoing | 28-Feb-05 |
| 6124 RETA: ADB-OSI Central Asia Education Cooperation Network | 15-May-03 | 06-Oct-03 | ongoing | |
| 6126 RETA: Civil Society Participation in Budget Formulation | 15-May-03 | 16-Oct-03 | ongoing | |
| 4279 LAO: Advisory Assistance on Small and Medium-Sized Enterprise and Private Sector Development | 15-May-03 | 18-Dec-03 | Ongoing | 31-Dec-04 |
| Total for 2003 | | | | |

Amounts

| TA Number and Title | Amount Approved | Additional Funding | Undisbursed Balance |
|---|--------------------|-----------------------|------------------------|
| 3976 THA: Strengthening Accountability Mechanisms II | 150,000 | - | 148,000 |
| 4002 LAO: Strengthening Corporate Governance & Management of State-owned Commercial Banks II | 150,000 | 750,000 | 864,702 |
| 4043 PAK: Strengthening the National Accountability Bureau | 120,000 | - | NA |
| 6063 RETA: Public Opinion Surveys on Judicial Independence & Accountability | 100,000 | - | 62,000 |
| 6065 RETA: Assessing Community Perspectives on Governance in the Pacific | 200,000 | - | 100,000 |
| Total for 2002 | | | |
| | 720,000 | 750,000 | |
| 4140 BAN: Supporting Good Governance Initiatives | 250,000 | 700,000 | - |
| 4163 VIE: Provincial Development Planning in the Central Highlands | 150,000 | - | 140,000 |
| 4169 CAM: Capacity Building of Electricity Authority | 240,000 | - | NA |
| 4190 KAZ: Supporting Local Government Reforms | 100,000 | 150,000 | |
| 4191 KAZ: Strengthening Government Program Performance | 150,000 | 50,000 | |
| 6117 RETA: Promoting Knowledge Transfer Through Diaspora | 150,000 | - | |
| 6124 RETA: ADB-OSI Central Asia Education Cooperation Network | 200,000 | - | |
| 6126 RETA: Civil Society Participation in Budget Formulation | 250,000 | - | |
| 4279 LAO: Advisory Assistance on Small and Medium-Sized Enterprise and Private Sector Development | 170,000 | 500,000 | |
| Total for 2003 | | | |
| | 1,660,000 | 1,400,000 | |