

The logo for the Asian Development Bank (ADB), consisting of the letters 'ADB' in a white serif font on a black square background.

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July 2009

Annual Progress Report of the  
Cooperation Fund in Support of  
Managing for Development Results

January-December 2008

Asian Development Bank

**ABBREVIATIONS**

ADB	–	Asian Development Bank
CTL	–	Controller's Department
DMCs	–	developing member countries
M&E	–	monitoring and evaluation
MfDR-CF	–	Cooperation Fund for Managing for Development Results
OCO	–	Office of Cofinancing Operations
SPD	–	Strategy and Policy Department
SPRU	–	Results Management Unit
TA	–	technical assistance
TCR	–	TA completion report

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## I. INTRODUCTION

1. This fourth Progress Report (the Report) on the Cooperation Fund in Support of Managing for Development Results (MfDR-CF or "the Fund") covers 1 January to 31 December 2008. It follows the reporting requirements in MfDR-CF Board paper and Administrative Arrangements between the Asian Development Bank (ADB) and the Fund donors: Canada, the Netherlands, and Norway.<sup>1</sup>

2. The Fund's secretariat, ADB's Results Management Unit (SPRU) of Strategy and Policy Department (SPD) prepared the Report. The Office of Cofinancing Operations (OCO) and the Regional Departments contributed inputs. The MfDR-CF Review Committee<sup>2</sup> reviewed the Report and the Controller's Department (CTL) prepared the Fund's annual financial statement.

3. Following a brief discussion on the background of the Fund (Section II), the Report presents the Fund's portfolio profile and developments in 2008 (Section III); and summarizes the knowledge development and achievements in 2008 (Section IV). The Report concludes with discussing the next steps for 2009 (Section V). The appendix section includes Fund administration and reporting requirements; highlights of the latest donor consultation meeting; MfDR-CF results framework; milestones of technical assistance (TA) implementation and accomplishments; 2008 financial statement; draft TA completion reports (TCRs); and the assessment sheet prepared for a TA funded in Vietnam.

## II. BACKGROUND

4. The MfDR-CF was established in April 2004 through the Government of Canada's initial contribution of CAN\$1,000,000 made through the Canadian International Development Agency. The Government of Netherlands contributed EUR700,000 through the Ministry for Development Cooperation in December 2004, and the Government of Norway contributed US\$1,254,000 through the Ministry of Foreign Affairs in June 2005. Total donor contributions were US\$2,924,719. Appendix 1 details Fund administration and reporting arrangements agreed between ADB and donors.

5. MfDR-CF promotes integration of results-based management approaches within ADB and its developing member countries (DMCs) and thereby contributes to ADB's poverty reduction efforts in the Asia-Pacific region. MfDR-CF supports TA projects that

- (i) strengthen DMC capacity to prepare and implement results-oriented national development plans;
- (ii) promote ADB's contribution to improving management-for-development results in DMCs through regional activities to build capacity on standards and norms of results

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<sup>1</sup> These are (i) ADB. 2004. *Establishment of a Cooperation Fund in Support of Managing for Development Results*; (ii) ADB (14 July 2004). *Administrative Arrangement between the Government of Canada and the Asian Development Bank in regard to a Grant for the Cooperation Fund in Support of Managing for Development Results*; (iii) ADB (7 December 2004). *Administrative Arrangement between the Netherlands Minister for Development Cooperation and the Asian Development Bank in regard to a Grant for the Cooperation Fund in Support of Managing for Development Results*; and (iv) ADB (29 June 2005). *Administrative Arrangement between the Government of Norway and the Asian Development Bank in regard to a Grant for the Cooperation Fund in Support of Managing for Development Results*.

<sup>2</sup> The MfDR-CF Review Committee, composed of representatives of the five regional departments and SPRU, established after establishment of the Fund, provides guidance and support in administration of the Fund. It performs a technical function.

- management, including facilitating participation of DMC officials at international seminars and workshops on results management; and
- (iii) increase results orientation of public sector management efforts and reform programs through application of results-based approaches to planning, budgeting and implementation.

6. MfDR-CF's goals relate to Paris Declaration on Aid Effectiveness, which commits the international community to establish “*results-oriented reporting and assessment frameworks that monitor progress against key dimensions of national development strategies*”.<sup>3</sup>

7. All DMCs are eligible to funding. TA selection follows a set of criteria endorsed by donors in 2005. To ensure effective management of the Fund, the secretariat prepared a results framework for 2005-2009 (Appendix 2).

8. In 2008, the Fund secretariat and OCO organized two donor consultation meetings. The findings of a preliminary evaluation of two Fund-supported TAs were presented to donors in the first meeting in March. This was reported in the 2007 MfDR-CF Annual Progress Report. A second meeting with donors was organized in December to inform the new Norwegian representative about the Fund operations. Appendix 3 presents highlights of this meeting.

### III. PORTFOLIO PROFILE AND DEVELOPMENTS IN 2008

#### A. Portfolio Profile

9. The total Fund portfolio in 2008 consists of eight TAs or TA components with total approved amount of US\$2,950,000. No new TA was endorsed nor approved for MfDR-CF funding.

10. The TAs cover Afghanistan, Kyrgyz Republic, and Tajikistan in Central West Asia; Nepal and Sri Lanka in South Asia; Vietnam in South East Asia; People's Republic of China in East Asia; and Republic of the Marshall Islands in the Pacific.

11. All TA projects seek to strengthen the results-orientation of national agencies responsible for managing the countries' economic and social development. The TAs are classified as “Law, economic management and public policy” sector, and “governance” or “capacity development” theme.

#### B. Implementation and Completion Progress

12. Two TAs were completed in 2008: (i) *TA4765-NEP: Operationalization of Managing for Development Results*, and (ii) *TA4612-VIE: Support for Results-based Monitoring of Poverty Reduction and Growth*. Draft TA completion reports were circulated to departments for comments. Table below shows the status and implementation progress of each TA as of 31 December 2008. Appendix 4 shows milestone activities and accomplishments in 2008 of the eight Fund-supported TAs.

<sup>3</sup> See *Paris Declaration on Aid Effectiveness*. <http://www.aidharmonization.org/secondary-pages/Paris2005>

**Status of MfDR-CF Portfolio (end-2008)**

<b>Project</b>	<b>Approved Amount (\$)</b>	<b>Disbursements (\$)</b>	<b>Outstanding Commitments (\$)</b>	<b>Status</b>
TA4612-VIE: Results-based Monitoring of Poverty Reduction and Growth	400,000	343,297.11	0	Closed
TA 4765-NEP: Operationalization of MfDR	400,000	327,968.40	72,031.60	Completed
TA4801-KGZ: Development of Monitoring and Evaluation System at Oblast Level	300,000	100,772.16	199,227.84	Ongoing
TA 4897-AFG: Support to the Afghanistan National Development Strategy	400,000	267,495.09	132,504.91	Ongoing
TA4860-TAJ: Strengthening Results Management in Support of Poverty Reduction in TAJ	400,000	324,256.86	75,743.14	Ongoing
TA4883-RMI: Building Capacity for Independent CPS and CPA Results Management—A Pacific Pilot	150,000	51,123.62	98,876.38	Ongoing
RETA 6306: Mainstreaming MfDR for Poverty Reduction in South Asia (supplementary financing for SRI)	500,000	183,075.94	316,924.06	Ongoing
TA7017-PRC: Enhancement of the Performance Audit Capacity of the China National Audit Office	400,000	140,992.55	259,007.45	Ongoing
<b>TOTAL</b>	<b>2,950,000</b>	<b>1,738,981.73</b>	<b>1,154,315.38</b>	

AFG = Afghanistan, KGZ = Kyrgyzstan, NEP = Nepal, PRC = People's Republic of China, RETA = regional technical assistance, RMI = Republic of Marshall Islands, SRI = Sri Lanka, TA = technical assistance, TAJ = Tajikistan, VIE = Viet Nam.

13. The completion date of TA 6306 (with supplementary financing for Sri Lanka) was extended from 31 March 2009 to 30 September 2009 to give time to complete all planned activities in Sri Lanka.

14. All ongoing TAs in the above table are expected to be completed by last quarter of 2009 and TCRs will be prepared within one year after their physical completion. These ongoing Fund-supported TAs comprise 38% of total number of ongoing MfDR TAs being supported by ADB in 2008.

**C. Financial Status**

15. The value of the MfDR-CF by end-2008 including contributions received and income from investments and interests, but net of currency exchange loss, was \$3,383,031.06. An amount of \$1,850,282.31 was used for project expenditures, administration cost, and bank charges. The Fund has remaining uncommitted balance of \$320,717.60. Appendix 5 shows year-end Financial Statement prepared by CTL.

## IV. KNOWLEDGE DEVELOPMENT AND ACHIEVEMENTS IN 2008

### A. TA Completion Reports

16. The draft TCRs prepared by Project Officers rated TA 4612-VIE "highly successful" and TA 4765-NEP "partly successful". Appendix 6 presents the two TCRs that evaluate TA achievements, major lessons, and recommendations. Many of these findings confirm those made in the 2008 preliminary assessment presented at the annual consultation with donors on 11 March 2008 (see ADB's MfDR webpage for the assessment results and the 2007 MfDR-CF Annual Progress Report).<sup>4</sup> Also, the TAs' outputs and outcome achievements reflect the Fund's objectives at the pilot testing and learning phase. The following highlight key lessons from the pilot TAs:

#### 1. TA 4612-VIE: Results-based Monitoring of Poverty Reduction and Growth

- Combining (i) high-level Government champion or ownership, and (ii) use of process-oriented approaches are the critical success factors for the Government agencies to adopt MfDR principles.
- Comprehensive awareness and knowledge building about MfDR's technical benefits is key to building ownership.

17. The MfDR tools and skills created by TA 4612-VIE remain at an early stage of mainstreaming. The Government expressed strong interest to build on the pilot and establish a more comprehensive results-based monitoring and evaluation (M&E) system that will involve a stream of sector agencies at national, provincial, and local levels. Methods for implementing this have been recommended in the 2008 preliminary assessment. Short- to medium-term donor assistance may be directed towards improving data quality and collection, evaluation methodologies, processes of reporting evaluation results and feeding them back to the planning cycle. In the long-run, support will be needed to strengthen linkages among results-based planning, budgeting, monitoring, evaluation, and performance reporting.

#### 2. TA 4765-NEP: Operationalization of Managing for Development Results

- The national planning institution in Nepal is the best place to initiate mainstreaming MfDR in government.
- Sustaining a results-based public sector is a long-term challenge and can be achieved through a building-block approach and continued sensitization.
- The senior Government leaders' direct involvement in TA's activities created a sense of ownership of the results agenda, and heightened MfDR competence among senior-level officials. This approach is far more effective than hiring consultants for the job.

18. The TA's outputs serve as foundation for building future MfDR activities. More time is required to build a sustainable MfDR capacity as the tools introduced by the TA need to be refined, linked to budget, and integrated in programs and projects across all agencies. Strengthening government agencies' M&E systems requires identification and strengthening of new data sources, and harmonizing M&E systems across organizations. Although TA activities were performed well with satisfactory outputs, the overall sustainability of its outcomes and

<sup>4</sup> See <http://www.adb.org/MfDR/CF/default.asp>

delivery of impact is subject to more direct and continued Government involvement that led to the overall rating of partly successful.

## **B. Preliminary Results on Evaluation of Supported TAs**

19. **Evaluation of TA 4612-VIE.** The Fund secretariat visited Viet Nam in June 2009 to evaluate TA 4612-VIE's effectiveness in developing Viet Nam's MfDR capacity. The evaluation validates and builds on the consultant's 2008 preliminary assessment and Project Officer's TCR findings. Appendix 7 presents the accomplished assessment sheet. The following are highlights according to the evaluation criteria of relevance, effectiveness, sustainability, and impact.

20. *Relevance.* The TA was found to be relevant to the Government's current MfDR agenda.

- TA design adequately assessed government's issues and opportunities and TA implementation was suitably timed.
- TA objectives were strategically aligned with Government's and ADB's MfDR agendas and contributed to country's achievement of Paris Declaration commitments on MfDR.
- TA activities carefully integrated change management at the government's staff level.
- TA objectives and implementation were effectively harmonized with other multilateral/bilateral projects.

21. *Effectiveness.* The TA effectively delivered its outputs on time and achieved expected outcomes as envisaged. The Government has expressed strong ownership of the TA. The TA has contributed to

- building Government's technical and managerial competence to use MfDR tools and approaches;
- improving the Government's readiness for MfDR capacity development; and
- raising Resident Mission's awareness about MfDR principles.

22. *Sustainability.* The Government shows willingness to sustain the use of TA's outputs.

- The Government expresses strong needs and demand for future MfDR assistance and activities. Leadership at national level promotes use of MfDR techniques introduced by the TA and demands further support to disseminate them at local levels.
- The Government policy to use MfDR monitoring and results framework produced by the TA have been officially adopted through a Ministerial decision. Human resources required to perform results-based planning are available but still insufficient.
- Further mainstreaming of MfDR approaches in Government may be hampered by the absence of sustained donor support and therefore leave Government's needs for MfDR support unmet. An interim solution is to further train Government staff trained by the TA to be trainers to others in other organizations.

23. *Impact.* The TA's expected impact has occurred as envisaged. Effective delivery of TA outputs and achievement of outcomes contributed to successful impact. The following are highlights.

- The TA contributed to an improved integration of MfDR into Viet Nam's national development agenda.
- The TA had an impact on building institutional awareness and competence to use MfDR concepts and tools, institutional strategy and policy, culture and leadership, building monitoring systems, and participatory methods in MfDR process.
- The TA has inspired the Executing Agency to seek further assistance to build institutional capacity in MfDR
- The TA has improved the information base available for ADB to manage its results-based CPS.

24. The secretariat confirms that TA 4612-VIE was highly satisfactory and has created a MfDR momentum that now needs to be sustained over time. However, further mainstreaming of MfDR approaches may be hampered by the absence of sustained donor support that would leave the needs for MfDR assistance unmet. The secretariat concluded that there is a need to upstream capacity development to further assist the Government (i) in pursuing change management critical to strengthen institutional capacity, and (ii) in finalizing monitoring and evaluation guidelines to prepare the next Five-year Socio-economic Development Plan.

#### V. NEXT STEPS FOR 2009

25. **Fund implementation.** As the Fund has been entirely committed and 6 TAs are under implementation, the Review Committee and the secretariat will focus on supporting TA implementation. The secretariat will continue to act as focal point in assisting regional departments through identification and contribution to good practices on MfDR capacity development. It will also continue to develop synergies with the ADB-supported community of practice on MfDR in Asia and the Pacific to further promote and implement MfDR in DMCs.

26. **Fund evaluation.** Following donors' suggestion during the December 2008 consultation and as part of its 2009 work program, the secretariat will evaluate the progress and accomplishments of the Fund and assess governments' demands for further MfDR assistance. It will undertake selected field visits to support this evaluation. The secretariat envisages communicating with donors the findings of this evaluation by mid 2010. The findings will also inform ADB's approach to improving its assistance for country capacity development on MfDR—one of the key initiatives under its MfDR action plan for 2009-2011.

## **MANAGING FOR DEVELOPMENT RESULTS COOPERATION FUND ADMINISTRATION AND REPORTING ARRANGEMENTS**

### **A. Key Operations Modalities**

1. When allocating funds to developing member countries (DMCs), the Fund follows the Review Committee's six selection criteria defined in the First Progress Report and endorsed by the donors:<sup>1</sup>

- (i) linkage with national development plans and programs;
- (ii) identification of development results;
- (iii) identification of institutions and capacities;
- (iv) innovativeness, participation and replication potential;
- (v) monitoring and evaluation mechanisms; and
- (vi) comparative advantage and implementation capacity of ADB.

2. These criteria reflect the strategic position of the Fund against other trust funds and the overall results agenda of ADB. These criteria were unchanged in 2008.

### **B. Responsibilities**

3. The Fund's secretariat comprises one professional staff and one national officer or local consultant. Its tasks consist of (i) organizing Committee meetings and preparing minutes and follow up actions; (ii) reviewing technical assistance (TA) proposals and consolidating comments of the Review Committee; (iii) preparing the Fund Annual Progress Reports; (iv) liaising and organizing consultations with donors through the Office of Cofinancing Operations (OCO); (v) assisting regional departments in identifying, preparing and implementing TAs; and (vi) disseminating information on Fund activities.

4. OCO communicates with donors on financial matters. The MfDR-CF Review Committee sets evaluation criteria, reviews TA proposals for MfDR funding, supports quality-at-entry of TA, reviews the Fund's annual progress reports prepared by the Secretariat, and contributes to knowledge products produced by TAs.

### **C. Reporting and Monitoring Arrangements**

5. The Board paper on the Fund's establishment and the Administrative Agreements between ADB and donors require the following reports:

- *Annual Progress Report.* The Fund secretariat prepares annual progress report on each Fund-supported TA and the Fund's ongoing activities, major results achieved, and major deviations, if any, from arrangements. The report is submitted to each donor government. Main sources of reporting information include missions' back-to-office reports, data of Project Processing Information System, TA progress reports, TA completion reports, and consultants' reports.

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<sup>1</sup> ADB. 2006. *First Progress Report of the Cooperation Fund in Support of Managing for Development Results (April 2004-December 2005)*. The MfDR-CF Review Committee composed of representatives of the five regional departments and SPRU, established after establishment of the Fund, provides guidance and support in administration of the Fund. It performs a technical function.

- *Financial statements of the Fund.* A year-end financial statement prepared by the Controller's Department is included in the MfDR-CF annual report and contains income and expenditures, including a specification of any funds generated from investments. A final financial statement will be prepared and submitted 90 days after completion of the Fund.
- *Final completion report.* The Fund secretariat will submit to participating donors a final completion report of (i) each completed TA project, 90 days after TA completion; and (ii) implementation of activities under the Fund 90 days after its termination.
- *Annual Donor Consultations.* The Fund secretariat and OCO meet with donors to discuss progress and directions for Fund management and donors' feedback about previous year's Fund accomplishments. The Fund secretariat presented the findings of a preliminary assessment on two Fund-supported TAs at the March 11<sup>th</sup>, 2008 donor consultation. An informal donor consultation was conducted on December 3<sup>rd</sup>, 2008 to inform the new Norwegian representative about Fund operations.
- *MfDR-CF Results Framework.* Donors endorsed a results framework prepared by the secretariat for monitoring implementation and impact of MfDR-CF for 2005–2009. It sets the overall direction for Fund administration, and will serve as basis for assessing the Fund's performance in delivering results.

#### **D. Information Dissemination**

6. ADB's websites and newsletters are means for raising awareness and visibility of the Fund. ADB's internet and intranet sites feature key Fund documentation including Board paper; annual progress reports; TA papers; and articles on success stories of TAs. Board documents, AAs, and templates for the MfDR-CF are also accessible through OCO's trust funds database in the ADB portal. SPRU regularly updates information on the MfDR intranet and internet sites.<sup>2</sup>

7. An ADB daily electronic newsletter announces notices of Fund activities. Short articles highlighting major activities of Fund-supported TAs are also featured in the quarterly *Results Matter*, a bulletin published by SPRU. MfDR-CF is also made visible in presentations to staff at departmental retreats, circulation of minutes of the Review Committee meetings, and networking of Committee members.

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<sup>2</sup> <http://www.adb.org/MfDR/default.asp>

**Results Framework for the Administration of the MfDR-Cooperation Fund  
(2005–2009)**

Results Level	Performance Indicators	Reporting Mechanisms	Main Assumptions and Risks
<b>Fund Impact/Area of Contribution to Long Term MfDR Goal (2010 and beyond)</b>			
Improved DMC capacities to better manage their planning and budget processes for development results	<p>Number of ADB DMCs with performance assessment frameworks to assess progress against (i) national development strategies, and (ii) sector programs</p> <p><i>Target: Indicator of Paris Declaration on Aid Effectiveness with target of 75% of countries by 2010</i></p>	<p>Documentation of International Roundtables on MfDR</p> <p>Reports on Implementation of commitments of the Paris Declaration</p>	<p>Momentum and interest in the global MfDR agenda remains high among development partners with greater involvement from DMCs.</p> <p>The Fund will only be equipped to contribute to long term MfDR capacity development in a small number of DMCs.</p>
<b>Fund Outcomes in DMCs and ADB (by end 2009)</b>			
Increased ADB capacity to respond to demand from DMCs to pilot and demonstrate results management in their planning and budget processes	<p>Success of ADB TAs aimed at supporting DMC results agendas/initiatives, as reflected in ratings of TA completion reports and TA performance evaluation reports</p> <p><i>Target: 80% of TAs rated "highly satisfactory" or "satisfactory" in TCR. End 2008 status: NA</i></p> <p>Number of CSPs addressing MfDR capacity development issues</p> <p><i>Target: All new CSP approved in 2005-2008. End 2008 status: Results-based CSP approved with capacity assessment</i></p>	<p>Annual MfDR-CF Progress Reports</p> <p>Completion and performance evaluation reports of ADB TAs</p> <p>Final (independent) evaluation of the MfDR-CF (2010)</p> <p>Database of ADB loans, TA, and grant approvals</p>	<p>Political and other risks do not disrupt national results agendas or performance-based management systems in DMCs</p> <p>ADB DMCs are active participants in the international MfDR scene</p> <p>DMCs provide durable support for MfDR approaches</p> <p>MfDR-CF contributions can be increased as necessary to respond to DMC demand</p> <p>ADB senior management remains committed to supporting the corporate results agenda</p>

Results Level	Performance Indicators	Reporting Mechanisms	Main Assumptions and Risks
	<p>Number of DMCs receiving ADB support through TAs, grants or loans for implementing a national results agenda, including through MfDR-CF</p> <p><i>Target: 15 DMCs by end 2008 of which 7 or more through MfDR-CF financed TAs. <u>End 2008 status: target met: over 20 beneficiary DMCs of which 8 supported by the MfDR-CF.</u></i></p>		
<b>Principal Fund Outputs (2005–2009)</b>			
<p>MfDR-CF Resources allocated and utilized promptly and in accordance with the mandate of the Fund</p>	<p>Share of donor contribution allocated within a year</p> <p><i>Target: at least 80% of contribution made in year Y (e.g., 2005) allocated in year Y+1 (e.g., 2006). <u>End 2008 status: 100% of total fund allocated.</u></i></p> <p>Share of donor contribution committed within 2 years</p> <p><i>Target: at least 80% of contribution made in year Y committed in year Y+2. <u>End 2008 status: 100% of total fund committed</u></i></p> <p>Results of final evaluation of MfDR-CF, especially with respect to MfDR capacity development through ADB TA</p> <p><i>Target: successful or highly successful rating</i></p>	<p>Annual MfDR-CF Progress Reports</p> <p>Quarterly TA Progress Reports</p> <p>Minutes of meetings of the MfDR-CF Review Committee</p>	<p>ADB regional departments/resident missions prioritize MfDR-CF supported TAs in their workplans</p> <p>Pressures to allocate fund resources rapidly, possibly at the expense of quality of proposals and Fund objectives can be resisted</p> <p>Internal processes for Fund operations remain simple and flexible</p>

Results Level	Performance Indicators	Reporting Mechanisms	Main Assumptions and Risks
	<i>of evaluation. End 2008 status: NA</i>		
Learning and lessons from the MfDR-CF disseminated within ADB and shared with DMCs	<p>Number of ADB professional staff and national officers involved in supporting TA financed from the MfDR-CF</p> <p><i>Target: at least 15 staff by 2009. End 2008 status: over 20 staff from HQ and RMs</i></p> <p>Results of final (independent) evaluation of MfDR-CF, especially with respect to knowledge generation in ADB</p> <p><i>Target: successful or highly successful rating of evaluation. End 2008 status: NA</i></p> <p>"Knowledge" disseminated through staff seminars and presentation</p> <p><i>Target: seminar (such as brown bag) held; MfDR-CF pages in ADB's MfDR websites updated and knowledge products posted quarterly. End 2008 status: website updated and knowledge products posted.</i></p>	<p>Findings of 2008 to 2010 Annual MfDR-CF Progress Reports</p> <p>ADB Publications and other knowledge products mentioning lessons and learning from MfDR-CF supported TAs</p> <p>ADB's MfDR web site</p> <p>Final (independent) evaluation of the MfDR-CF (2010)</p>	<p>Synergies can be found with other partners and instruments for MfDR capacity development, including ADB's community of practice</p> <p>DMCs are willing to analyze and share their MfDR experiences in regional and international forums</p>

<b>Key Fund Activities and Milestones (2005–2009)</b>	
	<b>Inputs</b>
Establishment of Review Committee <i>End 2008 status: No Committee meetings held in 2008</i>	Contribution of Canada
Definition/review of procedures and operations modalities of the Fund <i>End 2008 status: completed, no revisions in procedures required in 2008</i>	Contribution of the Netherlands
Preparation of annual reports <i>End 2008 status: 2007 report submitted</i>	Contribution of Norway
Holding of annual consultations with donors and liaison with donors <i>End 2008 status: consultations held in Manila in March 2008 in conjunction with the ADF X replenishment meeting</i>	MfDR-CF Review Committee staff time
Review of TA concept papers and reports to support quality-at-entry <i>End 2008 status: No proposals reviewed by Committee at any different processing stage</i>	SPRU staff time and budget
Review of TA completion reports <i>End 2008 status: 2 TA completion reports reviewed)</i>	
Liaison with RDs on TA administration and implementation progress <i>End 2008 status: ongoing/extensive collaboration for the preparation of knowledge products</i>	
Maintenance of web site and dissemination of knowledge products <i>End 2008 status: web site regularly updated</i>	
Field work to assess capacity development impact of TA <i>End 2008 status: Missions fielded to VIE and NEP and report prepared by staff in TAJ and AFG</i>	

ADB = Asian Development Bank, ADF = Asian Development Fund, AFG = Afghanistan, CSP = country and strategy partnership, DMCs = developing member countries, MfDR-CF = Managing for Development Results Cooperation Fund, NEP = Nepal, SPRU = Strategy and Policy Results Management Unit, RD = regional department, TA = technical assistance, TAJ = Tajikistan, TCR = technical assistance completion report, VIE = Viet Nam.

## COOPERATION FUND IN SUPPORT OF MANAGING FOR DEVELOPMENT RESULTS

### HIGHLIGHTS OF DONORS' CONSULTATION MEETING

(ADB, 3 December 2008, 2:10–3:10 p.m.)

- Participants: Ingjerd Haugen, Ministry of Foreign Affairs, Norway  
 Ian MacDonald, Department of Finance, Canada  
 Timor El-Dardiry, Ministry of Foreign Affairs, The Netherlands  
 Jacob Roomians, Director's Advisor  
 Joar Strand, Director's Advisor
- Patrick Safran, SPRU (Chair)  
 Bruce Purdue, SPRU  
 Guanghui Li, SPRU  
 Helena Ireen Baylon, SPRU  
 Megumi Araki, OCO  
 Belmadona Pagarigan, OCO  
 Cynthia Guina, OCO  
 David Sobel, EARD  
 Alely Bernardo, SARD
- Videoconference: Paolo Spantigati, NRM  
 Surya Shrestha, NRM  
 Hans Carlsson, SAOD  
 Nimali Hasitha Wickremasinghe, SLRM

#### A. Introduction

1. Bruce Purdue opened the meeting by introducing Patrick Safran, who is the MfDR Cooperation Fund (the Fund) Coordinator and who will chair this meeting. He highlighted that the Fund was the single-most important innovative tool supporting MfDR TAs in ADB's DMCs.<sup>1</sup> Much of ADB's works on MfDR have been in line with OECD works on capacity development in results-based management, which have also been confirmed to be important at the Accra roundtable meeting in September 2008.

2. Purdue emphasized the role MfDR plays in an equation between (i) MfDR as a code of efficiency and effectiveness of an organization, and (ii) MfDR as an approach for strengthening development effectiveness at country level. At organizational level, ADB is currently working on communities of practice, cascading the ADB corporate results framework down to operational country level, and collaborating with other development partners on the Common Performance Assessment System (known as COMPAS). He also highlighted the importance and the valuable contribution of the Fund in ADB's work at operational country level.

<sup>1</sup> A full set of documents, including a note for discussion with updated progress report and the latest financial statement as of 31 October 2008 was circulated to all participants before the meeting. The Fund portfolio consists of eight TAs with total approved amount of US\$2,950,000 (TA4897-AFG: Support to the Afghanistan National Development Strategy; TA4801-KYR: Development of a Monitoring and Evaluation System at Oblast Level; TA7017-PRC: Enhancement of the Performance Audit Capacity for the China National Audit Office; TA4883-RMI: Building Capacity for Independent CPS and CPA Results Management; TA4860-TAJ: Strengthening Results Management in Support of Poverty Reduction; TA 6306-REG: Mainstreaming MfDR for Poverty Reduction in South Asia (Supplementary financing for Sri Lanka). Two TAs have recently been completed: TA4765-NEP: Operationalization of MfDR; and TA4612-VIE: Results-based Monitoring of Poverty Reduction and Growth).

3. However, due to the current global economic situation and the financial crisis, participants recognized that sustaining ongoing activities on longer term and providing additional funding for the Fund could be a difficult challenge despite growing needs and demands from DMCs. The Netherlands already indicated that additional funding might be unlikely.

## **B. Progress and Lessons Learned**

4. Hans Carlsson, representing SARD, presented the current developments in RETA 6306 on Mainstreaming MfDR for Poverty Reduction in South Asia (supplementary financing for SRI). He also highlighted the main findings and lessons learned from the recently completed TA 4765 on Operationalization of MfDR in Nepal.<sup>2</sup>

5. In Sri Lanka, the Ministries of Plan and Implementation; Highways; Agriculture and National Water Supply and Drainage Board have completed a set of pilot MfDR initiatives through several workshops. Capacity building needs and performance gaps have been identified to be incorporated in future activities that will involve more awareness campaigns and institutionalization of MfDR in the Government.

6. In addition, Nimali Wickremasinghe reported the accomplishments of the supplementary TA for SRI by citing the development of online tool for identifying capacity gaps to be used to determine other needed MfDR initiatives. The Government of Sri Lanka is also planning to expand the pilot to improve cascading the progress made to the different national institutions and departments. More and more people are requested to develop results frameworks; there is a real need for ADB to further expand its initiative in helping SRI institutions.

7. In Nepal, the pilot TA brought positive developments which should serve as basis for future prospects of MfDR-related activities in the country. The TA contributed to (i) increased MfDR awareness among high-ranking and senior Government officials, (ii) improved recognition of the relevance of institutional change necessary to put in place MfDR tools and techniques into planning process, (iii) introduction of results frameworks in Nepal's 3-Year Interim Development Plan, and (iv) application of diagnostic assessments for designing local level interventions.

8. H. Carlsson identified the following key findings of the recently completed TA: (i) the pilot TA has established a strong foundation on which future MfDR activities can build on, (ii) there is a strong demand from senior Government officials for a continued MfDR support and more time is needed to build a sustainable MfDR capacity in Nepal, and (iii) an effective approach for applying MfDR is a learning-by-doing approach. Further assistance is also needed to link MfDR capacity development support to the annual budgeting process and to improve a more comprehensive design and use of diagnostic tools. H. Carlsson emphasized the need to deepen efforts to achieve momentum which is progressing very well. In particular, more efforts are needed to localize MfDR innovations in sub-national levels of government. Such MfDR innovations are also helpful for the country's efforts related to Paris Declaration commitments.

9. Furthermore, Paolo Spantigati highlighted the importance of the Fund in assisting Government of Nepal realize the relevance of MfDR in its country context. Government ownership of MfDR initiatives in Nepal has been recognized to be notable. Surya Shrestha

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<sup>2</sup> To better illustrate "field work" and progress to date in DMCs, to efficiently complement the set of documents, two Resident Missions, Sri Lanka and Nepal (where TA4765-NEP: Operationalization of MfDR has recently been completed) participated in the Donors' Consultation Meeting through videoconference.

detailed the developments of MfDR initiatives in Nepal mainly through the Government's efforts at national level to align results framework with the country's Poverty Reduction Strategy. Since 2006, two TAs are being coordinated and benefited three Ministries, four districts, and several regional planning agencies. While training has been administered, capacity development however still needs further assistance to keep the momentum and to implement and deliver future MfDR processes.

10. In the People's Republic of China, David Sobel reported the developments in TA 7017 on Enhancement of the Performance Audit Capacity for the China National Audit Office, which funded three audit workshops and performance audit seminars. The TA is in the process of publishing three books in performance audit theories and best practices, which is expected to be finalized during the first quarter of 2009.

### **C. Discussion**

11. Jacob Roomians expressed his thanks for the organization of the meeting, in particular the efforts made to invite resident missions to participate through videoconference. He particularly appreciated the developments of MfDR at country level and the level of ownership as described by the speakers. He had two questions: (i) what report will be produced to present the TA activities and findings and how would they be used by Ministries; and (ii) what audit reports, specifically in relation to PRC, will be prepared.

12. P. Spantigati in NEP responded that one important report to be prepared will be a national development plan incorporating MfDR approach. S. Shrestha indicated that a results chain and business plan that will incorporate indicators for performance will be used in budgeting and monitoring processes and systems. An accomplishment report will also reflect audit reports detailing how the TA had been administered. H. Carlson added that a revised set of guidelines for review checklist will be prepared as part of an action plan for MfDR. In response for PRC, Guanghui Li mentioned that the audit reports are important pilot that are useful for provincial governments.

13. Ingjerd Haugen thanked the organizers for the meeting, especially for inviting RMs to actively participate. She also appreciated the feedback and developments from the "field" and the willingness of countries to build their own MfDR capacities. She mentioned that monitoring and evaluation systems are a focus where MfDR can be a powerful tool and not a means in itself. She asked about the perception of countries about MfDR being a tool and not simply an end in itself, and whether MfDR is being seen as a positive tool rather than a "punishing" tool.

14. B. Purdue responded in the context of Communities of Practice where MfDR practitioners from various organizations have recognized MfDR to be a positive incentive for best practice. The very good national leadership portrayed in Nepal and Sri Lanka made a significant difference as to how MfDR was positively received and even contributed to enhancing national planning.

15. N. Wickremasinghe added that the government of Sri Lanka, recognizing the positive incentive for using MfDR, expressed its concerns to sustain the momentum and requested further support to cascade MfDR at local level. In Nepal, P. Spantigati insisted on the fact that clarification on concepts of impact, outcome, and output in the development plans are still needed and work remains to be done.

16. I. Haugen further asked about the scope of the support provided by the Fund in terms of building capacity at the national institutions in maintaining statistical information in a useable and reliable manner. B. Purdue responded that one approach was made through an innovative creation of an online readiness assessment tool but more work remains to be done in this challenging area.

## MfDR-CF: TA Implementation Milestones and Accomplishments as of 31 December 2008

Country/TA Number/Title/Amount (US\$)	Classification	Scope Executing Agency	Processing Milestones	Implementation Milestones	Implementation progress as of 31 Dec 2008
<b>2005 Approvals</b>					
<p><b>Viet Nam</b></p> <p>TA 4612-VIE: Results-based Monitoring of Poverty Reduction and Growth</p> <p>\$400,000</p> <p>Contact Person: Vo Truc Dien</p>	<ul style="list-style-type: none"> <li>▪ <i>Sector: Multisector</i></li> <li>▪ <i>Subsector: Economic Management/ Public Policy</i></li> <li>▪ <i>Theme: Sustainable Economic Growth, and Capacity Development</i></li> <li>▪ <i>Sub-theme: Developing Rural Areas, and Institutional Development</i></li> <li>▪ <i>GI/TI: GI</i></li> </ul>	<p>Support to the Comprehensive Poverty Reduction and Growth Strategy (CPRGS) and 5-Year Socio-Economic Development Plan (SEDP): development of results frameworks and indicators for tracking progress</p> <p>EA: Ministry of Planning and Investments</p>	<ul style="list-style-type: none"> <li>▪ Endorsed by Review Committee: Dec 2004</li> <li>▪ Draft TA paper reviewed by Review Committee: 14 Apr 2005</li> <li>▪ SRC: waived</li> <li>▪ TA approval: 14 July 2005</li> <li>▪ TA Letter Signing: 20 Oct 2005</li> </ul>	<ul style="list-style-type: none"> <li>▪ Consultants field work: 12 April 2006</li> <li>▪ Review Missions: <ul style="list-style-type: none"> <li>○ 27 Feb-3 Mar 2006: Inception</li> <li>○ 23 Jun 2006: Review</li> </ul> </li> <li>▪ Draft final report reviewed by Committee:</li> <li>▪ Final TA report submitted:</li> <li>▪ Actual physical completion date <ul style="list-style-type: none"> <li>○ Original: 31 Dec 2006</li> <li>○ Revised: 31 Dec 2007</li> </ul> </li> <li>▪ Expected Project Completion <ul style="list-style-type: none"> <li>○ Original: 31 Dec 2006</li> <li>○ Revised: 31 Dec 2007</li> </ul> </li> <li>▪ Draft TCR reviewed by Committee:</li> <li>▪ TCR submitted:</li> <li>▪ Actual TA account closing: 31 May 2008</li> </ul>	<ul style="list-style-type: none"> <li>▪ Total Outstanding Commitment as of 31 Dec 2008:</li> <li>▪ Total Disbursement: \$343,297</li> <li>▪ Total Undisbursed/Savings: \$56,702.89</li> </ul> <p>Main Accomplishments/Outputs:</p> <ul style="list-style-type: none"> <li>▪ TCR was circulated with rating of "Successful"</li> <li>▪ Results framework for VIE Socio-Economic Development Plan (2006-2010) and results indicators at aggregate level developed</li> <li>▪ Methodology for data collection, processing and analysis prepared</li> <li>▪ Training of government officials on MfDR conducted</li> <li>▪ Guidelines and instructions on development results developed</li> </ul>
<b>2006 Approvals</b>					
<p><b>Regional</b></p> <p>TA 6306-REG: Mainstreaming Managing for Development Results in Support of Poverty Reduction in South Asia</p> <p>\$500,000 (supplementary financing from MfDR-CF for SRI component)</p> <p>Contact Person: MD Shahid Parwez</p>	<ul style="list-style-type: none"> <li>▪ <i>Sector: Law, economic management, and public policy</i></li> <li>▪ <i>Subsector: Economic management</i></li> <li>▪ <i>Theme: capacity development, regional cooperation, sustainable economic growth</i></li> <li>▪ <i>Sub-theme:</i></li> <li>▪ <i>GI/TI: GI</i></li> </ul>	<p>Enhance MfDR capacities and country systems for planning, strategy development, resource allocation, accountability of development resources in pilot government organizations (Ministry of Plan and Implementation, Ministry of Highways, Ministry of Agriculture and National Water Supply, and Drainage Board) in</p>	<ul style="list-style-type: none"> <li>▪ Endorsed by Review Committee: 23 Nov 2006</li> <li>▪ Draft TA paper reviewed by Review Committee:</li> <li>▪ SRC: waived</li> <li>▪ TA approval: change in scope to incorporate SRI as financed by MfDR-CF was approved on 15 Dec 2006</li> <li>▪ TA Letter Signing:</li> </ul>	<ul style="list-style-type: none"> <li>▪ Consultants field work:</li> <li>▪ Review Missions:</li> <li>▪ Draft final report reviewed by Committee:</li> <li>▪ Final TA report submitted:</li> <li>▪ Actual physical completion date <ul style="list-style-type: none"> <li>○ Original: 31 Dec 2007</li> <li>○ Revised: Sep 2009</li> </ul> </li> <li>▪ Expected Project Completion <ul style="list-style-type: none"> <li>○ Original: 31 Dec 2008</li> <li>○ Revised: Sep 2009</li> </ul> </li> <li>▪ Draft TCR reviewed by Committee:</li> </ul>	<ul style="list-style-type: none"> <li>▪ Total Outstanding Commitment as of 31 Dec 2008: \$316,924.06</li> <li>▪ Total Disbursement: \$183,075.94</li> </ul> <p>Main activities:</p> <ul style="list-style-type: none"> <li>▪ Draft M&amp;E framework for performance management systems for the pilot organizations (Ministry of Plan and Implementation, Ministry of Highways, Ministry of Agriculture and National Water Supply, and Drainage Board)</li> </ul>

Country/TA Number/Title/Amount (US\$)	Classification	Scope Executing Agency	Processing Milestones	Implementation Milestones	Implementation progress as of 31 Dec 2008
		Bangladesh, Nepal, Pakistan, and Sri Lanka (financed through the MfDR-CF)  EA: Ministry of Plan Implementation, Sri Lanka		<ul style="list-style-type: none"> <li>▪ TCR submitted:</li> <li>▪ Actual TA account closing:</li> </ul>	<ul style="list-style-type: none"> <li>in Sri Lanka prepared.</li> <li>▪ Staff of four pilot organizations were trained on M&amp;E concepts</li> <li>▪ Finalization of capacity building plans and their budgetary requirements for all four organizations finalized and agreed</li> </ul>
<p><b>Tajikistan</b></p> <p>TA 4860-TAJ Strengthening Results Management in Support of Poverty Reduction (previously, Mainstreaming MfDR in Support of Poverty Reduction)</p> <p>Total TA: \$900,000 of which \$400,000 was funded through MfDR-CF</p> <p>Contact Person: Zafardjon Khotamov /Nana Kvanchiany</p>	<ul style="list-style-type: none"> <li>▪ <i>Sector: Multi-sector</i></li> <li>▪ <i>Subsector: Economic Management, public policy</i></li> <li>▪ <i>Theme: Sustainable Economic growth, Governance, Capacity Development</i></li> <li>▪ <i>Sub-theme: Institutional Development</i></li> <li>▪ <i>GI/TI: GI</i></li> </ul>	<p>Assist the Government (President's Office; Ministry of Economy and Trade; and Ministry of Finance) in developing and implementing results framework of the 10-year National Development Strategy and medium-term Poverty Reduction Strategy</p> <p>EA: Ministry of Economy and Trade under the overall coordination of the President's Office</p>	<ul style="list-style-type: none"> <li>▪ Endorsed by Review Committee: 8 Jun 2006</li> <li>▪ Draft TA paper reviewed by Review Committee:</li> <li>▪ SRC: waived</li> <li>▪ TA approval: 30 Oct 2006</li> <li>▪ TA Letter Signing: 13 Nov 2006</li> </ul>	<ul style="list-style-type: none"> <li>▪ Consultants field work:</li> <li>▪ Review Missions:               <ul style="list-style-type: none"> <li>○ 23-26 July: Inception</li> <li>○ Project Phase 1 Report submitted to ADB on 29 Sep 2007</li> <li>○ 8 Nov 2007: tripartite meeting</li> </ul> </li> <li>▪ Draft final report reviewed by Committee:</li> <li>▪ Final TA report submitted:</li> <li>▪ Actual physical completion date               <ul style="list-style-type: none"> <li>○ Original: 31 Mar 2009</li> <li>○ Revised:</li> </ul> </li> <li>▪ Expected Project Completion               <ul style="list-style-type: none"> <li>○ Original: 31 Mar 2009</li> <li>○ Revised:</li> </ul> </li> <li>▪ Draft TCR reviewed by Committee:</li> <li>▪ TCR submitted:</li> <li>▪ Actual TA account closing:               <ul style="list-style-type: none"> <li>○ Original: 31 Mar 2009</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▪ Total Outstanding Commitment as of 31 Dec 2008: \$75,743.14</li> <li>▪ Total Disbursement: \$324,256.86</li> </ul> <p>Main activities:</p> <ul style="list-style-type: none"> <li>▪ Assessment of capacity for M&amp;E at the national level and within Ministry of Economy and Trade has been conducted</li> <li>▪ Workshops with key government decision makers on users' requirements and data flows, data collection procedures for Poverty Reduction Strategy (PRS) monitoring, and on format and structure of Annual Progress Report conducted</li> <li>▪ Module for data collection and analysis for PRS monitoring indicators to be used by Ministry of Economy and Trade's Monitoring Department designed.</li> <li>▪ Training sessions on results-based management, performance measurement, monitoring indicators, data collection and basic statistics and poverty analysis conducted</li> <li>▪ Glossary of results-based management terms in Russian and English prepared</li> <li>▪ List of PRS monitoring indicators ranked and prioritized.</li> <li>▪ 35 raion level officials briefed</li> </ul>

Country/TA Number/Title/Amount (US\$)	Classification	Scope Executing Agency	Processing Milestones	Implementation Milestones	Implementation progress as of 31 Dec 2008
					<ul style="list-style-type: none"> <li>on results monitoring.</li> <li>▪ Computer network installed in MEDT monitoring department.</li> <li>▪ Preliminary PRS monitoring data analyzed.</li> <li>▪ PRS monitoring framework articulated.</li> <li>▪ Preliminary database designed</li> <li>▪ Memorandum of Understanding agreed between the government, ADB and EC containing plan of action to resolve system implementation issues.</li> <li>▪ Database modules and operating handbooks distributed to 31 ministries and government agencies.</li> <li>▪ Comprehensive logic model for all program linkages in PRS 2007-2009.</li> <li>▪ Complete PRS results monitoring framework is applied and tested in the central government.</li> <li>▪ Preliminary report on the PRS monitoring system prepared.</li> </ul>
<p><b>Afghanistan</b></p> <p>TA 4897-AFG: Support to the AFG National Development Strategy</p> <p>\$400,000</p> <p>Contact Person: Grant Curtis/ Modesta Decastro</p>	<ul style="list-style-type: none"> <li>▪ <i>Sector: Law, Economic Management and Public Policy</i></li> <li>▪ <i>Subsector: Economic Management</i></li> <li>▪ <i>Theme: Governance, capacity development</i></li> <li>▪ <i>Sub-theme: Anti-corruption, institutional development, client relations network, and partnership development</i></li> <li>▪ <i>GI/TI: GI</i></li> </ul>	<p>Support a "cluster TA" which comprises three components to assist in the overall development of the Afghanistan National Development Strategy (ANDS); the MfDR-CF financed component will enhance the capacity of the Afghan civil society organizations to plan and conduct pilot participatory poverty assessment. This work will improve poverty targeting and monitoring benchmarks.</p>	<ul style="list-style-type: none"> <li>▪ Endorsed by Review Committee: 16 Feb 2006</li> <li>▪ Draft TA paper reviewed by Review Committee: Oct 2005</li> <li>▪ SRC: Not available</li> <li>▪ TA approval: 14 Dec 2006</li> <li>▪ TA Letter Signing: 9 Jan 2007</li> </ul>	<ul style="list-style-type: none"> <li>▪ Consultants field work:</li> <li>▪ Review Missions:</li> <li>▪ Draft final report reviewed by Committee:</li> <li>▪ Final TA report submitted:</li> <li>▪ Actual physical completion date <ul style="list-style-type: none"> <li>○ Original: 31 Dec 2008</li> <li>○ Revised: 31 Dec 2009</li> </ul> </li> <li>▪ Expected Project Completion <ul style="list-style-type: none"> <li>○ Original: 31 Dec 2008</li> <li>○ Revised: 31 Dec 2009</li> </ul> </li> <li>▪ Draft TCR reviewed by Committee:</li> <li>▪ TCR submitted:</li> <li>▪ Actual TA account closing:</li> </ul>	<ul style="list-style-type: none"> <li>▪ Total Outstanding Commitment as of 31 Dec 2008: \$132,504.91</li> <li>▪ Total Disbursement: \$267,495.09</li> </ul> <p>Main activities:</p> <ul style="list-style-type: none"> <li>▪ Workshops were held at community, provincial, and national levels to discuss the participatory poverty assessment findings and to develop specific recommendations to address Afghanistan's endemic poverty.</li> <li>▪ Final PPA report, including 6 sectoral advocacy reports were published and made available at</li> </ul>

Country/TA Number/Title/Amount (US\$)	Classification	Scope Executing Agency	Processing Milestones	Implementation Milestones	Implementation progress as of 31 Dec 2008
		EA: Ministry of Finance IA: Agency Coordinating Body For Afghan Relief (ACBAR)			<a href="http://www.adb.org/Documents/Reports/APPPA/default.asp">http://www.adb.org/Documents/Reports/APPPA/default.asp</a>
<p><b>Kyrgyz</b></p> <p>TA 4801-KGZ: Development of Monitoring and Evaluation Systems at Oblast Level</p> <p>\$300,000</p> <p>Contact Person: Gulkayr Tentieva</p>	<ul style="list-style-type: none"> <li>▪ <i>Sector: Law, economic management, and public policy</i></li> <li>▪ <i>Subsector: Subnational government administration</i></li> <li>▪ <i>Theme: Governance, capacity development, inclusive social development</i></li> <li>▪ <i>Sub-theme: Civil society participation, client relations, network, partnership devt.</i></li> <li>▪ <i>GI/TI: GI</i></li> </ul>	<p>Monitoring of development assistance benefits at the local level: pilot results monitoring system established in two provinces.</p> <p>EA: Comprehensive Development Framework (CDF) Secretariat in the President's Administration</p> <p>IA: National Statistical Agency</p>	<ul style="list-style-type: none"> <li>▪ Endorsed by Review Committee: 9 Dec 2004, initially for \$200,000 increased to \$300,000 in May 2006.</li> <li>▪ Draft TA paper reviewed by Review Committee: April 2006</li> <li>▪ SRC: waived</li> <li>▪ TA approval: 16 Jun 2006</li> <li>▪ TA Letter Signing: 18 Jul 2006</li> </ul>	<ul style="list-style-type: none"> <li>▪ Consultants field work:</li> <li>▪ Review Missions: <ul style="list-style-type: none"> <li>○ 13-14 Dec 2006: Inception</li> <li>○ 11 Oct 2007: Review</li> </ul> </li> <li>▪ Draft final report reviewed by Committee:</li> <li>▪ Final TA report submitted:</li> <li>▪ Actual physical completion date <ul style="list-style-type: none"> <li>○ Original: 31 May 2008</li> <li>○ Revised: 31 Dec 2008</li> </ul> </li> <li>▪ Expected Project Completion <ul style="list-style-type: none"> <li>○ Original: 31 May 2008</li> <li>○ Revised: 31 Dec 2008</li> </ul> </li> <li>▪ Draft TCR reviewed by Committee:</li> <li>▪ TCR submitted:</li> <li>▪ Actual TA account closing:</li> </ul>	<ul style="list-style-type: none"> <li>▪ Total Outstanding Commitment as of 31 Dec 2008: \$199,227.84</li> <li>▪ Total Disbursement: \$100,772.16</li> </ul> <p>Main activities:</p> <ul style="list-style-type: none"> <li>▪ Development of M&amp;E indicators as part of Oblast development strategies</li> <li>▪ Training of all stakeholders and workshop for the implementation of M&amp;E system and turning over of the same to the MEDT</li> <li>▪ Development of comprehensive guidelines for M&amp;E framework for the Country Development Strategy</li> </ul>
<p><b>Republic of Marshall Islands</b></p> <p>TA 4883-RMI: SSTA for Building Capacity for Independent CSP and CPA Results Management in RMI</p> <p>\$150,000</p> <p>Contact Person: Stephen Pollard/ Nellie-Ann Villanueva</p>	<ul style="list-style-type: none"> <li>▪ <i>Sector: Law, Economic Management and Public Policy</i></li> <li>▪ <i>Subsector: Economic Management</i></li> <li>▪ <i>Theme: Public Governance, capacity development and private sector development</i></li> <li>▪ <i>Sub-theme: Good governance</i></li> <li>▪ <i>GI/TI: GI</i></li> </ul>	<p>Enhance RMI country statistics generation and policy analytical capacities (through support of the Public Policy Institute at the College of Marshall Islands) and strengthen country demand for an independent monitoring of, and management for, development results.</p> <p>The TA has two major components including: (1) support to government officials to attend university level programs on MfDR; (2) provide support to</p>	<ul style="list-style-type: none"> <li>▪ Endorsed by Review Committee:</li> <li>▪ Draft TA paper reviewed by Review Committee:</li> <li>▪ SRC: Not required</li> <li>▪ TA approval: 5 Dec 2006</li> <li>▪ TA Letter Signing: Not applicable</li> </ul>	<ul style="list-style-type: none"> <li>▪ Consultants field work:</li> <li>▪ Review Missions:</li> <li>▪ Draft final report reviewed by Committee:</li> <li>▪ Final TA report submitted:</li> <li>▪ Actual physical completion date <ul style="list-style-type: none"> <li>○ Original: 31 Dec 2009</li> <li>○ Revised:</li> </ul> </li> <li>▪ Expected Project Completion <ul style="list-style-type: none"> <li>○ Original: 31 Dec 2009</li> <li>○ Revised:</li> </ul> </li> <li>▪ Draft TCR reviewed by Committee:</li> <li>▪ TCR submitted:</li> <li>▪ Actual TA account closing:</li> </ul>	<ul style="list-style-type: none"> <li>▪ Total Outstanding Commitment as of 31 Dec 2008: \$98,876.38</li> <li>▪ Total Disbursement: \$51,13.62</li> </ul> <p>Main activities:</p> <ul style="list-style-type: none"> <li>▪ 35 staff from the Economic Planning Department and other government offices have participated in a Bachelor of Arts courses on statistics, project management, accounting, econometrics, and public administration. Skills derived are being used for management of projects.</li> <li>▪ Public policy debates have been championed by College of Marshall Islands and led to establishment of Public Policy</li> </ul>

Country/TA Number/Title/Amount (US\$)	Classification	Scope Executing Agency	Processing Milestones	Implementation Milestones	Implementation progress as of 31 Dec 2008
		<p>plan and organize public policy forums.</p> <p>EA: Economic Policy, Planning and Statistics Office of the Chief Secretary's Office</p>			<p>Institute, which now became the focal point of the TA.</p>
<p><b>Nepal</b></p> <p>TA 4765-NEP: Operationalization of MfDR</p> <p>\$400,000</p> <p>Contact Persons: Surya Shrestha/ Shahid Parwez/ Shreejana Rajbhandari</p>	<ul style="list-style-type: none"> <li>▪ <i>Sector: Multisector: Law, Economic Management, Finance</i></li> <li>▪ <i>Subsector: N/A</i></li> <li>▪ <i>Theme: Capacity Development, Sustainable Economic Growth, Governance</i></li> <li>▪ <i>Sub-theme: Policy, Institutional, legal, regularoty reforms, fostering physical infrastructure development, public governance</i></li> <li>▪ <i>GI/TI: GI</i></li> </ul>	<p>Support formulation of 10<sup>th</sup> National Plan, focus on components related to ADB's area of assistance (under the 1<sup>st</sup> RB-CPS): improvements of statistical systems and capacities, monitoring of performance indicators, institutionalization of RBM in the EA.</p> <p>EA: National Planning Commission (NPC)</p>	<ul style="list-style-type: none"> <li>▪ Endorsed by Review Committee: 14 Apr 2005</li> <li>▪ Draft TA paper reviewed by Review Committee:</li> <li>▪ SRC: waived</li> <li>▪ TA approval: 13 Feb 2006</li> <li>▪ TA Letter Signing: 19 Apr 2006</li> </ul>	<ul style="list-style-type: none"> <li>▪ Consultants field work: 26 Sep 2006</li> <li>▪ Review Missions: <ul style="list-style-type: none"> <li>○ 13 Feb 07: Inception Report</li> <li>○ 5-10 Sep 07: Review</li> <li>○ 24-26 Dec 07: Review</li> </ul> </li> <li>▪ Draft final report reviewed by Committee:</li> <li>▪ Final TA report submitted:</li> <li>▪ Actual physical completion date <ul style="list-style-type: none"> <li>○ Original: 28 Feb 2008</li> <li>○ Revised: 31 Oct 2008</li> </ul> </li> <li>▪ Expected Project Completion <ul style="list-style-type: none"> <li>○ Original: 28 Feb 2008</li> <li>○ Revised: 31 Oct 2008</li> </ul> </li> <li>▪ Draft TCR reviewed by Committee:</li> <li>▪ TCR submitted: 3 Apr 2009</li> <li>▪ Actual TA account closing: 27 May 2009</li> </ul>	<ul style="list-style-type: none"> <li>▪ Total Outstanding Commitment as of 31 Dec 2008: \$72,031.6</li> <li>▪ Total Disbursement: \$327,968.4</li> <li>▪ Total Undisbursed/Savings as of 2 June 2009: \$50,746.2</li> </ul> <p>Main Accomplishments/ Outputs:</p> <ul style="list-style-type: none"> <li>▪ TA completion report issued with rating of "Partly Successful"</li> <li>▪ Sector-specific results frameworks, MfDR guidelines, reporting formats, and project prioritization guidelines developed</li> <li>▪ Results-oriented planning process adopted by Department of Roads and Ministry of Local Development</li> <li>▪ M&amp;E system in selected agencies designed</li> <li>▪ Training programs for government officials on MfDR conducted.</li> </ul>
<b>2007 Approvals</b>					
<p><b>Peoples' Republic of China</b></p> <p>TA 7017-PRC: Enhancement of the Performance Audit Capacity of the China National Audit Office</p> <p>\$400,000</p>	<ul style="list-style-type: none"> <li>▪ <i>Sector: Law, economic management, and public policy</i></li> <li>▪ <i>Subsector: Economic management</i></li> <li>▪ <i>Theme: Governance, capacity development</i></li> <li>▪ <i>Sub-theme: Financial and economic governance; organizational</i></li> </ul>	<p>Enhancement of the performance audit capacity for the Department of Foreign Fund Application Audit (DFFAA) would belf strengthen program and project administration and portfolio management of public financed projects, and</p>	<ul style="list-style-type: none"> <li>▪ Endorsed by Review Committee: 21 May 2007</li> <li>▪ Draft TA paper reviewed by Review Committee:</li> <li>▪ Fact-finding: Sept 2007</li> <li>▪ SRC: waived</li> <li>▪ TA approval: 12 Dec 2007</li> </ul>	<ul style="list-style-type: none"> <li>▪ Consultants field work:</li> <li>▪ Review Missions:</li> <li>▪ Draft final report reviewed by Committee:</li> <li>▪ Final TA report submitted:</li> <li>▪ Actual physical completion date <ul style="list-style-type: none"> <li>○ Original: 30 Apr 2009</li> <li>○ Revised:</li> </ul> </li> <li>▪ Expected Project Completion</li> </ul>	<ul style="list-style-type: none"> <li>▪ Total Outstanding Commitment as of 31 Dec 2008: \$259,007.45</li> <li>▪ Total Disbursement: \$140,992.55</li> </ul> <p>Main activities:</p> <ul style="list-style-type: none"> <li>▪ Three audit workshops conducted: (i) audit practices by the United Nations; (ii) performance audit on water</li> </ul>

Country/TA Number/Title/Amount (US\$)	Classification	Scope Executing Agency	Processing Milestones	Implementation Milestones	Implementation progress as of 31 Dec 2008
Contact Person: Ying Qian/Edna Gonzales	<i>development</i> <ul style="list-style-type: none"> <li>▪ <i>GI/TI: GI</i></li> </ul>	improve organizational structure and human resources of executing and implementing agencies and other stakeholders.  EA: China National Audit Office	<ul style="list-style-type: none"> <li>▪ TA Letter Signing: 18 Feb 2008</li> </ul>	<ul style="list-style-type: none"> <li>○ Original: 20 Apr 2009</li> <li>○ Revised:               <ul style="list-style-type: none"> <li>▪ Draft TCR reviewed by Committee:</li> <li>▪ TCR submitted:</li> <li>▪ Actual TA account closing:</li> </ul> </li> </ul>	pollution control projects; (iii) performance audit of investments on capital projects. <ul style="list-style-type: none"> <li>▪ Drafted books on audit theories and practices: (i) Review of 24-Year Foreign Funds Application Audit, (ii) Cases of Foreign Funds Application Projects Performance Audit, and (iii) Performance Audit Best Practice of the United Kingdom.</li> </ul>

ACBAR = Agency Coordinating Body for Afghan Relief, ADB = Asian Development Bank, AFG = Afghanistan, ANDS = Afghanistan National Development Strategy, APPPA = Afghanistan Pilot Participatory Poverty Assessment, CPRGS = Comprehensive Poverty Reduction and Growth Strategy, DFFAA = Department of Foreign Fund Application Audit, EA = executive agency, EC = European Commission, GI = general intervention, MEDT = Ministry of Economic Development and Trade, MfDR-CF = Managing for Development Results Cooperation Fund, M&E = monitoring and evaluation, PPA = poverty partnership agreement, PRC = People's Republic of China, PRS = Poverty Reduction Strategy, SEDP = Socio-Economic Development Plan, SRC = staff review committee, TA = technical assistance, TAJ = Tajikistan, TCR = technical assistance completion report, TI = target intervention, VIE = Viet Nam.

**ASIAN DEVELOPMENT BANK  
ADMINISTRATOR FOR  
TECHNICAL ASSISTANCE GRANT FUND  
COOPERATION FUND IN SUPPORT OF MANAGING FOR DEVELOPMENT RESULTS**

**STATUS OF GRANT (CONTRIBUTION)  
As of 31 December 2008  
(Amount in US Dollar)**

TOTAL CONTRIBUTION COMMITTED		2,924,719.56
Gain/(Loss) arising from change in value of currency		<u>49,774.82</u>
NET CONTRIBUTION AVAILABLE		2,974,494.38 <sup>1</sup>
Add:		
Interest income	172,036.81	
Income from investment	236,657.07	
Gain/(Loss) on foreign exchange transactions	<u>(157.20)</u>	<u>408,536.68</u>
TOTAL AMOUNT AVAILABLE		3,383,031.06
Less amounts utilized for:		
Project expenditures	(1,738,981.73)	
Administration cost	(86,949.08)	
Audit fee	(23,500.00)	
Financial expense – bank charges	<u>(851.50)</u>	<u>(1,850,282.31)</u>
UNUTILIZED BALANCE		1,532,748.75 <sup>2</sup>
Less:		
Outstanding commitments	(1,154,315.38)	
Reserve for ADB administration cost	<u>(57,715.77)</u> <sup>3</sup>	<u>(1,212,031.15)</u>
UNCOMMITTED BALANCE		<u><u>320,717.60</u></u>

<sup>1</sup> Represents the actual US dollar equivalent of contribution received.

<sup>2</sup> Represented by:

Cash in bank		1,385,515.88
Advances		174,509.60
Interfund payable		(3,776.73)
Accrued expenses		<u>(23,500.00)</u>
		<u><u>1,532,748.75</u></u>

<sup>3</sup> Represents five percent (5%) of the outstanding commitments.



DRAFT TECHNICAL ASSISTANCE COMPLETION REPORT<sup>1</sup>

Division: VRM

TA No., Country and Name		Amount Approved: US\$400,000	
<b>TA 4612-VIE: Support for Results-based Monitoring of Poverty Reduction and Growth</b>		Revised Amount:	
Executing Agency: Ministry of Planning and Investment		Source of Funding: MFDR Cooperation Fund	Amount Undisbursed: US\$56,702.89
			Amount Utilized: US\$343,297.11
TA Approval Date:	TA Signing Date:	Fielding of First Consultant:	TA Completion Date Actual: 30 June 2008
14 July 2005	20 October 2005	6 February 2006	Original: 31 Dec 2006
			Account Closing Date Actual: 30 June 2008
			Original: 31 Dec 2006
<p><b>Description:</b> Viet Nam' has made remarkable achievements social development and poverty reduction. Several poverty and social development indicators are currently used in Viet Nam to demonstrate this but they are not always consistent and do not always follow commonly accepted or international standards. The many blanks in the Viet Nam Development Goals (VDGs) matrix manifest the difficulty of establishing clearly spelled-out indicators for the VDGs. General aggregated indicators are needed at the three levels: central, sector, and local and in thematic areas such as governance (covering public finance, public administration, grassroots democracy, and anticorruption initiatives), employment and labor skills, and gender equality and ethnic minority. The Government recognizes that monitoring of poverty reduction and social development needs to be improved at all levels. The Socio-economic Development Plan (SEDP) is expected to integrate basic elements of Comprehensive Poverty Reduction and Growth Strategy (CPRGS) and serve as Viet Nam's national strategy for poverty reduction. Viet Nam is one of the first three countries where a results-based country strategy and program is being piloted. The 2007–2010 Country Strategy and Program (CSP) will be aligned with the SEDP 2006–2010.</p> <p><b>Expected Impact, Outcome and Outputs:</b></p> <p><b>Expected Impact:</b> The overall goal of the Technical Assistance (TA) is to assist the Government of Viet Nam strengthen its capacity to develop and implement a results-based monitoring and evaluation system for poverty reduction and growth efforts in Viet Nam.</p> <p><b>Expected outcomes:</b> With the assistance of the TA, the Government was expected to (i) introduce results-based approach in development planning and development of results indicators, and (ii) enhance capacity of government institutions and officials to develop more systematic mechanisms for monitoring of poverty reduction and growth.</p> <p><b>Expected Outputs:</b> (i) Identification of gaps in results-based poverty monitoring and assessment; (ii) A set of results indicators at aggregate, sector, and local levels, and thematic areas by refining and extending those already existing and developing new ones of internationally accepted standards; (iii) Methodology for collecting, processing, and analyzing results indicators for sectors and selected thematic areas, and project levels; (iv) Training of government officials on the concept and application of managing for development results; and (v) Guidelines on monitoring development results.</p> <p>The TA design was relevant and in line with the Government's policy and strategy for sustainable poverty reduction and economic growth as outlined in the SEDP 2006–2010 and the earlier CPRGS. The TA responded in a timely manner to the Government's demand for improving result-based management planning capacity. The terms of reference for the consultants were comprehensive and adequate to meet the TA objectives. Result-based management is a new concept in Viet Nam. Hence the TA duration was 18 months longer than the original schedule due to the initial lack of familiarity of executing agency (EA) with the results based approach. Extensive stakeholder consultations were held during TA formulation as well as TA implementation.</p> <p><b>Delivery of Inputs and Conduct of Activities:</b> The performance of EA is rated as satisfactory: The Executing Agency was the Ministry of Planning and Investment (MPI) who provided adequate counterparts, office facilities and other support facilities. During implementation, MPI took the lead in managing the outputs—in particular the development of the monitoring and evaluation (M&amp;E) framework for the SEDP 2006–2010. The performance of the consultants was satisfactory as reflected in the respective performance evaluation reports (PERs). An international consultant for result-based planning and monitoring and domestic consultants for poverty monitoring and result-based sector planning were engaged. Actual total inputs were 7 person-months from the international and 21 person-months from the national consultants while 6 person-months and 30 person-months were envisaged at TA approval respectively. Person-months of national consultants' inputs were the reduced because domestic training specialist (6 person-months) was not recruited due to the lack of availability of qualified experts. Instead, the Result-based planning and monitoring specialist (international</p>			

<sup>1</sup> In preparing any country program or strategy, financing any project, or by making any designation of or reference to a particular territory or geographic area in this document, the Asian Development Bank does not intend to make any judgments as to the legal or other status of any territory or area.

consultant) and Coordinator provided necessary training. During implementation and to ensure effective training programs, the government has requested some training related equipments and minor change was made to allow the procurement of four computers, a printer, a projector and a screen under the TA. The performance of ADB was satisfactory. The TA was administered by Viet Nam Resident Mission (VRM). The project was implemented in close cooperation with the World Bank and other donors. Interaction between ADB staff and EA and consultants took place through regular meetings. The TA closing date was extended from 31 December 2006 to 31 December 2007. As mentioned above, the main purpose of the extension was to enable the adoption a process orientated approach given that the result-based concept was new and was being applied for the first time in Viet Nam. There were \$56,709 in savings, coming mainly from the savings in the per diem and travel costs of the international consultant, who was based in Viet Nam.

#### **Evaluation of Outputs and Achievement of Outcome**

All TA outputs were delivered as envisaged. Gaps in results-based poverty monitoring and assessment were identified. A set of results indicators at aggregate, sector, and local levels, and thematic areas were developed. These indicators formed part of the SEDP M&E framework that was issued by MPI on 30 May 2007 in a Ministry Decision No. 555/2007/QĐ-BKH on "Implementation Monitoring & Evaluation Framework for 2006–2010 SEDP". The M&E results framework, better known as Decision 555, was developed in a participatory manner, through a series of hands-on training seminars at the national and provincial level, and in consultation with experts, practitioners, managers and donors. In addition, the methodology for collecting, processing, and analyzing results indicators for sectors and selected thematic areas, and project levels was introduced. A pilot survey on investment indicators was conducted to test the methodology developed under the TA. The survey assessed investment in two urban centers—Ho Chi Minh and Hanoi, covering some 400 enterprises, including state-own enterprises (SOEs) and private companies. Training of government officials on the concept and application of managing for development results was provided. The TA organized 6 workshops for Central Government and line Ministry staff with approximately 400 participants. There were 7 training workshops for officials at the provincial level, with over 600 participants attending. In addition, the TA also organized a high level study tour to Canada, which included the Vice-Minister of MPI, and a small group of officials from the line Ministries and Peoples Committees. The TA prepared a draft set of guidelines for applying the results-based M&E system. These were designed to assist the MPI explain the underlying principles of results based planning to officials in line ministries, provinces and cities in monitoring the SEDP and in understanding the main principles of results-based M&E.

TA outcomes have been achieved. This TA has contributed positively to ADB's support for a broader Management for Results (MfDR) agenda in Viet Nam. Result-based approach in development planning and development indicators has been introduced. Less than two years after its implementation, Decision 555 is already having a major influence on the way in which Government monitors its performance and is expected to influence a future government decree related to National Planning. In addition, the MPI used the SEDP M&E Framework for its SEDP2006-10 mid-term review, and ADB has closely aligned the results framework of its CSP 2007-10 to the SEDP. The progress of the CSP is also being monitored and tracked through this framework. Feedback from government officials confirmed that the capacity and skills of government institutions and officials in results-based planning and monitoring were enhanced. The need to define, track and manage to deliver results is now widely accepted and increasingly applied in regional, sector and national planning efforts.

**Overall Assessment and Rating. The TA is rated as highly successful.** Expected outputs and outcomes were achieved. Sustainability has been ensured through the adoption of Decision 555 which marks the beginning of a more comprehensive and extensive process on results based planning in Vietnam.

#### **Major Lessons**

The combination of a high-level Government champion and a consultative and learning-by-doing process proved highly successful. Ensuring that the Government, rather than a team of consultants, was truly the first author of their M&E framework has reinforced a sense of ownership and commitment to delivering agreed results. The government ownership and commitment also facilitated good collaboration with the World Bank and other donors. The TA experience suggests that Government leaders must be sensitized and awareness built before they are able to operationalize these concepts. In the design, it was anticipated that preparation of a results framework would be a fairly rapid technical task and would be completed in a few months time. As the project was being implemented, it was realized that awareness of results-based M&E would need to be developed first, and only gradually could Government planners come to an agreement on a results-based SEDP M&E framework. In retrospect, this was a sensible and appropriate project management decision even though it lengthened the implementation period for the TA.

#### **Recommendations and Follow-Up Actions**

Results based management is a long term process, and ADB should sustain the positive momentum for MfDR initiated by this TA and continue to assist MPI to operationalize the results based approach. In the near-term, upstream capacity development support is required to assist the Government to test, validate and improve on the draft M&E guidelines so that they can be finalized; to establish the performance assessment/reporting mechanisms for evaluating the current and future SEDPs; and to utilise lessons learned as inputs to future SEDPs. The implementation experience also highlighted the need for a dedicated unit in MPI with overall responsibility for monitoring the SEDP.

## TECHNICAL ASSISTANCE COMPLETION REPORT<sup>1</sup>

Division: NRM/SARD

TA No., Country and Name			Amount Approved:	\$400,000.00
<b>TA 4765-NEP: Operationalization of Managing for Development Results</b>			Revised Amount:	\$400,000.00
Executing Agency: National Planning Commission	Source of Funding: MFDR Cooperation Fund	Amount Undisbursed:	Amount Utilized:	
		\$72,032.00	US\$327,968.00	
TA Approval	TA Signing	Fielding of First Consultant:	TA Completion Date	Actual:
13 February 2006	19 April 2006	October 2006	Original: 8 February 2008	July 2008 (final report submission)
			Account Closing Date	Actual:
			Original: 28 February 2008	
<b>Description</b>				
<p>The Government of Nepal joined other participating countries in endorsing the principles of managing for development results (MfDR) during high-level international roundtables in Monterrey, Marrakech and Paris from 2002-2005. This commitment reflected the widely shared view that development assistance needed to be more effective and aid flows enhanced to reduce poverty and achieve the Millennium Development Goals. With the adoption of the Paris Declaration on Aid Effectiveness in March 2005, many countries started to adopt and implement MfDR to achieve better results.</p> <p>Among the DMCs, Nepal has been at the forefront of operationalizing MfDR as illustrated by the results framework of the Tenth Plan (FY2003-FY2007), which charted Nepal's poverty reduction strategy (PRS). Building on this framework, ADB developed its first results-based Country Strategy and Program for Nepal in 2004. The Government has taken steps to develop some core elements of MfDR by establishing a framework that linked planning, budgeting, project implementation and monitoring. The medium-term expenditure framework linked PRS to the annual budget by prioritizing available resources. Other core MfDR elements included national poverty monitoring and analysis system (PMAS), district poverty monitoring and analysis system (DPMAS), and project performance information system (PPIS). However, these elements needed to be systematized and streamlined with logical links to an MfDR framework at all government levels for which significant capacity building was needed. The Government, therefore, requested ADB to provide technical assistance (TA) in support of capacity development of selected ministries and district development committees (DDCs) to help operationalize MfDR. The objectives, scope, financing, and implementation arrangements of the TA were discussed with the Government and other key stakeholders in September 2005.</p>				
<b>Expected Impact, Outcome and Outputs</b>				
<p>The expected impact of the TA was to achieve development effectiveness in the context of broad-based economic growth. The expected outcome of the TA was the adoption of MfDR approach in the National Planning Commission (NPC), two line ministries, and three DDCs. The outputs envisaged by the TA were: (i) institutionalization of MfDR, (ii) development of sector-specific results framework, and (iii) strengthening of M&amp;E system in selected agencies.</p>				
<b>Delivery of Inputs and Conduct of Activities</b>				
<p>An international consulting firm, in partnership with two domestic firms, provided 37.63 person-months of consultancy inputs to the TA. The consultancy team comprising one international (team leader) and two national consultants was fielded from October 2006; an additional national consultant was added to the team in February 2007 to support the implementation of monitoring and evaluation system in three districts. The intermittent input of the international team leader contributed to review and quality control of outputs of national consultants. However, he could not effectively manage the friction among the consultancy team members at times which delayed TA implementation. In addition, the lead firm was initially slow in resolving the administrative and financial difficulties faced by the consultants during TA implementation. That necessitated frequent interventions by ADB. ADB facilitated in resolving the issues and ensuring timely implementation of the activities.</p>				
<p>The terms of reference of the consultants and the project implementation schedule were reviewed and refocused during the inception phase of the TA at the request of the NPC, the executing agency (EA) of the TA. The TA was able to deliver the outputs as per the specific requirements of the EA, the pilot ministries and DDCs. The uncommitted TA balance was utilized to undertake a study on determining the Government's future capacity development needs on operationalization of MfDR and to suggest potential intervention programs. The EA and the pilot ministries met their requirements in terms of</p>				

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providing counterpart staff, office accommodation and information. However, piloting activities in one of the three DDCs viz. Jumla district could not be completed due to absence of relevant staff in the related district offices for long periods. ADB fielded two review missions and attended several tripartite meetings to review progress on TA implementation and also regularly attended the meeting of the Steering Committee and workshop programs.

#### **Evaluation of Outputs and Achievement of Outcome**

The TA supported enhancing the capability of the Government on MfDR operationalization by adopting a building-block approach whereby essential elements of MfDR were identified and activities grouped so as to benefit from related synergies. The specific achievements of the TA on the planned outputs were as follows:

**Strengthened leadership role of NPC for mainstreaming and operationalizing MfDR.** Series of inter-ministerial MfDR workshops led by NPC; senior level study tour to PR China led by Vice Chairman of NPC; and tools for mainstreaming MfDR developed – MfDR Guidelines, Guidance on Reporting Formats, Project Prioritization Guidelines, and Review of Incentives for Operationalizing MfDR and Recommendations.

**Operationalization of MfDR in the Ministry of Physical Planning and Works (MPPW)/Department of Roads and the Ministry of Local Development (MLD).** MfDR readiness assessment completed, and results frameworks and indicators consistent with the Government's Three Year Interim Plan (TYIP) developed; business plans developed; and understanding and awareness of MfDR enhanced.

**Operationalization of MfDR approaches and M&E at the district level.** Readiness assessment of three districts (Jhapa, Dang, and Jumla) completed; capacity development programs on DPMAS, including its implementation, information collection and technical support, provided; and case study on government service delivery in Jhapa district completed (such diagnostic analysis is fundamental to results based management).

**Capacity development programs.** In addition to regular guidance and coaching to the three ministries, three substantive training programs on MfDR (in-country and in the region) organized.

The outcomes of the TA include (i) improved awareness and understanding of MfDR concepts and tools in NPC and pilot ministries contributing to emphasis on results rather than on the design and delivery of inputs; (ii) understanding of changes in organizational management that are required to put MfDR tools and techniques into effect; and (iii) contribution to incorporating a results orientation in the TYIP. The project contributed to better appreciation of MfDR in the Government, as reflected in the TYIP which has explicitly endorsed MfDR. During the implementation of the TA, the Government requested additional technical assistance to consolidate the achievements of the on-going support and to extend MfDR approaches to other government agencies.

#### **Overall Assessment and Rating**

The TA delivered most of the expected outputs. MfDR was operationalized in the planning processes of selected government ministries. Training needs of the NPC, line ministries and district offices were assessed and training programs were organized to improve capacity on MfDR concepts and processes, including district level monitoring and evaluation system. The TA delivered several tools and guidelines that will be used by NPC to mainstream and scale-up MfDR-based sector planning and reporting. However, further support is required to institutionalized MfDR and strengthen the M&E system. On overall, the TA is rated partly successful.

#### **Major Lessons**

- Although considerable progress in strengthening results-based planning approaches has been made in Nepal, MfDR awareness, capacity and utilization of results-based tools and information are still at an early stage of development.
- Political support is essential to spread and mainstream MfDR processes to other parts of the Government, and its long-term sustainability is dependent on ownership by the Government. In addition, strong and high-level demand for strengthening the results-orientation of the planning processes from the sectoral ministries is critical.
- MfDR capacity development is a long-term challenge and substantially more time is required to ensure that MfDR tools and techniques are actually put to use and institutionalized.
- MfDR capacity-development approach should involve building on existing systems and a considerable amount of learning-by-doing for government official to build ownership and commitment.

#### **Recommendations and Follow-Up Actions**

MfDR is a key development strategy endorsed by the TYIP. Further, the annual country portfolio reviews conducted in 2007 and 2008 by ADB in partnership with the Government and other development partners have identified the need to prepare results frameworks in major sectors and establish results-based monitoring systems. The Government's FY2009 Budget has identified improvements in development effectiveness as a reform agenda and a National Action Plan on Aid Effectiveness is being developed. Identification of targeted development results and an assessment of their achievements will be critical to ensure accountability in aid management. The success of the above-mentioned initiatives will require large scale capacity development in MfDR in government agencies. ADB, therefore, should continue to support capacity development over the long term as requested by the Government.

**MANAGING FOR DEVELOPMENT RESULTS – COOPERATION FUND**  
**TA 4612-VIE: Results-based Monitoring of Poverty Reduction and Growth**  
**Assessment Sheet**

CRITERIA	ASSESSMENT
<b>I. Relevance of the TA</b>	
<b>A. Quality of Diagnosis</b>	
1. How adequate was the assessment of problems, opportunities, and lessons at the time of approval?	With reference to "Issues" section of the TA paper, assessment of problems and opportunities are adequate. However, assessment of lessons is considered lacking.
2. Was the intervention suitably timed?	The TA approval was in time for monitoring the progress of implementing SEDP, but it would have been better if the TA was introduced one or two years in advance of the SEDP preparation so that M&E process introduced by the TA was properly integrated with the plan, and issued together with SEDP. (para. 54, ST report)
3. Was institutional readiness for MfDR interventions sufficiently addressed?	No. The TA paper did not include an analysis on MfDR readiness of MPI.
<b>B. Strategic Alignment</b>	
4. How consistent was the TA with the government's development strategy and program (stated vs. real)?	Very consistent. The Government's development strategy is stated in Comprehensive Poverty Reduction and Growth Strategy (CPRGS) and a 5-year plan to implement that strategy in Socio-economic development program (SEDP 2006–2010). The TA provided assistance in building capacity for a results-based monitoring mechanism that matches the requirements for monitoring progress made in SEDP. Decision 555 issued by the government contains M&E Results Framework which TA directly supported.
5. How consistent was the project with ADB's strategy and program for the country, both at the time of approval and time of assessment?	The TA was listed in 2005 CPSU's table on Assistance Pipeline for Non-lending Products and Services for 2005. The TA is consistent with ADB's broad MfDR agenda.
<b>C. Relevance with the Paris Declaration</b>	
6. Was the TA designed to contribute to strengthen country systems and capacities as set out in the Paris Declaration?	Yes. The TA contributed to strengthening the capacity of country in establishing results-oriented monitoring framework using monitorable indicators.
7. Were country leadership's commitments towards results based management—or more broadly aid effectiveness—promoted by the TA?	Yes. The TA is about applying results-based monitoring principles to monitor SEDP, which the government promotes through Decision 555. The TA provided direct support for the framing of Decision 555.
<b>D. Client Demand and Participation</b>	
8. Did stakeholders see the TA as their own?	Yes. The MPI takes the TA outputs as necessary in its own efforts to monitor poverty reduction and growth. Decision 555 was framed in a participatory manner.
9. Was a critical mass of staff members, including front-line staff, involved in all aspects from design to implementation of TA?	Yes, only at implementation of TA. The TA introduced process-oriented approach which involved a critical mass of staff at MPI. Critical mass of government staff members was not involved at design stage.
<b>E. Change Management</b>	
10. Was change management effectively integrated into TA design?	The basic elements and steps to change management (awareness, desire, knowledge, ability, reinforcement—ADKAR model) are contained in the results framework under inputs and in TORs of consultants. These steps, however, are only for change management at the individual level. No plan for change management is presented in the TA for the organizational level.
<b>F. Quality of Project Design and Objectives</b>	
11. Did project formulation adopt the correct solution for the identified problem?	Yes. The main TA output was the design of results-based M&E, which was lacking in the existing government system (in terms of monitoring outcomes and impacts) and which was needed to

CRITERIA	ASSESSMENT
	evaluate the SEDP.
12. Were the objectives realistic?	Yes. The TA objectives were achieved.
13. Was the design sound in terms of a series of necessary and sufficient conditions for project success being met?	Yes. The consideration of risks to achieving TA outcomes was recognized. The identified activities such as MfDR awareness building, workshops on MfDR tools for M&E, process-oriented or learning-by-doing approach to training, and participatory designing of SEDP results framework all provided combined factors for the success of the TA.
14. Were lessons learned from related projects incorporated?	No. There was no TA implemented in the past that relates to results-based M&E.
15. Was the service delivery arrangement adequate? (this includes all inputs and activities)	Yes. All inputs and activities delivered and the process approach to training supplemented the training sessions.
<b>G. Harmonization</b> 16. How well was the project coordinated or made complementary to other ADB projects, or to projects of other development partners?	<p>The Ministry of Planning and Investment requested for the TA assistance and was the one directly coordinating it along with all other donor support to the Government. The TA was therefore a complementary support provided to the Government in the area of results-based M&amp;E. Other donors such as the World Bank, UNDP, Belgium are assisting in the area of broad governance systems, statistics development, and planning reform, respectively.</p> <p>The TA approval and implementation came timely for enhancing MfDR understanding in VRM, which was essential for the preparation of a results-based CPS 2009-2011, and more recently, the CPRM.</p>
17. What MfDR projects by other multilateral/bilaterals are being implemented in the field at the moment?	<p>The Belgian bilateral government is currently supporting VIE in the consolidation of planning reform of the entire government system. This effort is purely public administration in nature and the output MAY incorporate MfDR principles, given that MPI has already adopted results-based approaches in planning.</p> <p>UNDP is implementing two projects: (i) Supporting Monitoring Socio-Economic Development in the General Statistics Office, MPI; and (ii) Strengthening Local Government Project for 4 provinces—Bac Kan, Vinh Phuc, Quang Nam, Tra Vinh.</p> <p>World Bank is supporting General Economic Issues Department, MPI on MfDR by fielding staff and staff consultants on an ad hoc basis.</p>
18. What other future MfDR projects are being planned by other multilaterals/bilaterals?	There are currently no further plans for MfDR except to continue current assistance as per demand by MPI.
19. Which areas in their planned activities can ADB prospectively harmonize?	ADB may prospectively harmonize with Belgium and World Bank (like what was carried out in TA4612), depending on directions by MPI, which is currently not yet expressed.
<b>II. Effectiveness of TA Implementation</b>	
<b>A. Implementation</b>	
20. Was implementation of assistance delivered in a timely manner, and according to plan?	Overall, the assistance was delivered in a timely manner. There were delays in TA completion to give more time for adopting process-oriented training approach.
<b>B. Capacities Created</b>	
21. At the organizational level, who are the main beneficiaries of the TA? How did they benefit?	The main beneficiaries of the TA were the officials at the Ministry level, Department heads and planning and budgeting or finance supervisory-level staff under each Ministry, and Provincial government heads. They benefited from the TA's awareness building on MfDR concepts such as results chain, tools in planning such as design of results framework and logical

CRITERIA	ASSESSMENT
	frameworks, and results oriented M&E.
22. Were there new technical or managerial skills developed? What are they?	On the technical side, design of logical framework, results-based monitoring using results indicators with baselines and targets are new skills developed. These skills are currently at use already at a limited level within MPI and other Ministries and Provinces and there are plans of using them over the long-term across all government agencies.
<b>C. Readiness for MfDR Capacity Development</b>	
23. What was the initial MfDR "readiness" of agencies and has it changed during the TA implementation?	There was MfDR "readiness" expressed at the national level by the PM and Ministers level in some ministries particularly MPI. This was evidenced by some awareness and desire of the national leadership for MfDR assistance, hence the granting of the technical assistance. This readiness has cascaded to the various ministries and provinces through the TA's awareness program which benefited 1,000 government staff including high-level officials from People's Council, People's Committees, Departments of Planning and Investment, General Statistics Offices from the provinces and municipalities. The study tour to Canada organized under the TA also contributed to overall MfDR "readiness" by allowing the delegation to identify the nature of change that VIE government needs to adopt in order to be results-based. The process-oriented approach used in framing the monitoring framework for SEDP was also introduced by the TA, which better informed government staff at the practical level of assessing development results produced by the SEDP.
24. How strong is the ownership of/ commitment to the TA?	Very strong.
25. At what level of the organization is this commitment expressed?	Commitment is expressed by the national leadership through Decision 555, in which the PM directs the use of results-based monitoring of SEDP.
<b>D. Outputs Delivered</b>	
26. Were the expected outputs of the assistance delivered? If not, why? And if more than what was planned, or something other than what was planned was delivered, what were the reasons for these?	Yes. All four outputs were delivered: (i) results framework for the SEDP and a set of results indicators; (ii) methodology for collecting, processing, and analyzing results data; (iii) training of government officials on concepts and application of MfDR; and (iv) guidelines and instructions on development results.
27. Were mechanisms, tools, approaches, etc. produced by the TA considered particularly valuable for enhancing agency capacities? By whom?	Yes. A critical mass of MPI and provincial government staff who were trained on results-based planning and monitoring through the TA are now capable of making use of the planning and monitoring mechanisms and systems introduced by the TA.
<b>E. Outcomes Achieved</b>	
28. Were the expected outcomes of the TA achieved, or likely to be achieved?	Yes. All expected outcome were achieved: (i) introduction of results framework and results indicators in SEDP; (ii) stronger links between ADB's new CSP and the SEDP, with results indicators capable of being monitored; and (iii) enhanced understanding and skills of government officials in results-based planning and monitoring of development results.
29. Were there other outcomes achieved, in addition to those envisaged in the TA monitoring framework? If yes, what were these?	Yes. One other important outcome achieved was the sensitization and heightened awareness and understanding on MfDR concepts and tools by the Resident Mission staff. Such awareness has been helpful in clarifying results framework and the need to monitor progress of implementing CPS. The VRM is currently preparing the Midterm Review of CPS for which understanding of MfDR was critical.
30. What were the main factors contributing to the achievement of project outcomes?	The main factors contributing to the achievement of TA outcome was the ownership expressed by Government and the learning-by-doing and process approach used in training.
31. Were there other factors within the control of the project that influenced	Yes. The TA was designed to provide trainings sessions as a method of knowledge sharing. It was eventually realized that the

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achievement of TA outcomes?	process approach was more appropriate and effective and therefore, the TA shifted to that medium in coordination with the World Bank which supplied resources. The coordinative efforts and skill of the MPI was essential to bring the World Bank into the overall training efforts.
<b>III. Sustainability of the TA Outputs</b>	
<b>A. Continued Demand</b>	
32. Is there likely to be adequate and effective demand for project-related MfDR services in the future?	Yes, there is demand for further improving the M&E system in Viet Nam. This entails further clarifying and validating the country results indicators used at the national and local levels, the methodologies for data collection the identification of responsible staff and offices for monitoring each indicator, and the development of reporting system.
<b>B. Funding</b>	
33. Will there be sufficient funding to apply MfDR tools and techniques in the concerned organization?	Use of MfDR tools such as the use of logframes and results frameworks are now integrated into the planning system at the ministerial level such as MPI, and in the organizational and project levels such as in the Ministry of Education and Ministry of Rural Development, albeit in varying degrees. Use of these tools are funded through recurrent government expenditures.  Government has not as yet clearly defined the roles for performing results-based M&E. No central unit in MPI is designated to be responsible for M&E and there is no indication that the Government is planning to establish one. This may be caused by lack of available resources.
<b>C. Policies</b>	
34. Will government policies continue to require MfDR planning and budgeting approaches for the concerned organization?	Yes. The Ministerial Decision 555 by the MPI institutionalizes M&E framework to be applied only to monitor the current SEDP. The Decision's effectiveness will end in 2010, co-terminously with the current SEDP.
<b>D. Human Resources</b>	
35. Are there appropriate policies in place to ensure that there is sufficient staff familiar with, and trained in, MfDR planning and budgeting techniques?	No. At the national level, there is no such policy. Despite the absence of such policy, the policy to adopt results-based M&E (Decision 555) would be sufficient rationale for staff to be trained.
<b>E. Leadership</b>	
36. Do the organizations' leaders continue to promote use of the techniques introduced in the TA?	Yes and this was mandated through Decision 555.
<b>F. Incentives (if applicable)</b>	
37. Are there sufficient incentives for staff to apply MfDR planning and budgeting techniques?	Decision 555 mandates the application results-based M&E systems in MPI. No incentive is necessary in the context of communist system of governance.
<b>G. Change Opportunities and Risk Management</b>	
38. What are the key factors (internal/ external) and organizational features of the agencies that present threats (risks) and/or opportunities for change and results-based management?	The main threat for further institutionalizing MfDR in Viet Nam is the possible donor exhaustion in providing MfDR-related support. A trust fund initiated by the World Bank that was intended to provide governance support that will incorporate broad RBM principles was not participated in by any resident donor office in Viet Nam. Belgium is now single-handedly supporting Viet Nam's planning reform, with some support from other donors on an ad hoc basis depending on Viet Nam Government's decisions.  Another threat internal to organizations is the prolonged need for MfDR assistance for a refined M&E system that are not met appropriately in time. MfDR initiatives in the government may later become irrelevant if the momentum of the change process

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	is not sustained.
39. Based on the TA experience, what strategies can be considered to overcome or mitigate risks to MfDR capacity building?	As for the internal threats, the Government officials and staff trained by the TA can be the trainers in other organizations. By using the learning-by-doing approach and the process approach, the government can be in the best position to train itself as they are most knowledgeable about government operations and systems. The World Bank may continue to provide ad hoc consulting services to support such activities.
<b>IV. Impact Assessment</b>	
<b>A. Expected Impact</b>	
40. Is the TA contributing to an improved integration of MfDR into national development agendas? How?	Yes. The current 5-year national plan (SEDP 2006-2010) has been evaluated (Mid-term Review) in a results-based manner. Decision 555 (the design of which the TA directly supported) was a results-based M&E framework to monitor the current national plan. At the project level, log frames are being used, and at organizational level in MPI and other Ministries at various degrees, results framework is in use for planning. The Prime Minister and ministerial leaders are keen on adopting MfDR approaches and have shown ownership of the TA's outputs. These factors can make strong influence in the way MfDR will be integrated in the next 5-year national plan, which is expected to build on the lessons from implementing the current national plan.
41. Have the TA's expected impacts occurred, or are they likely to occur?	Yes, the TA's expected impact of <i>to strengthen the institutional capacity of the Government for results-based monitoring of poverty reduction and growth</i> is at the initial stage of mainstreaming. Understanding and appreciation of results-based M&E system has been enhanced and the framework designed for M&E are in place and in use through the Government's <i>Decision 555</i> .
42. Is there any evidence that TA outputs or outcomes have contributed to those impacts?	Yes. The introduction of (i) results-based approach in planning for projects and organizations, (ii) development of results indicators, and (iii) enhanced capacity of government institutions and officials to develop more systematic mechanisms for monitoring systems have clearly resulted in the strengthening of institutional capacity of MPI to perform results-based monitoring of poverty reduction and growth.
<b>B. Unintended Impacts</b>	
43. Has the project had any unintended social or economic impacts that weren't anticipated at the time it was designed?	There were no known unintended social or economic impacts identified.
<b>C. Institutional Readiness Impacts</b>	
44. Has the project had an impact on any of the key factors that would influence the readiness of public sector organizations to make use of MfDR planning and budgeting tools for managing their organizations? This would include factors related to institutional awareness and competence of MfDR concepts and tools, institutional strategy and policy, structure and organization, values, culture and leadership, adequacy of monitoring systems, and the involvement of stakeholders in the MfDR process.	<p>Yes. The TA had an impact on institutional awareness and competence of MfDR concepts and tools, institutional strategy and policy, culture and leadership, adequacy of monitoring systems, and in the involvement of stakeholders.</p> <p>The TA's process-oriented approach in training had a positive influence in awareness building at the institution level and enhancing technical capacity to plan and monitor national development outcomes at the staff level. The next national planning cycle (SEDP) will be informed by (i) the lessons learned from the new knowledge gained in trainings on MfDR approaches and (ii) evaluation of the current SEDP based on a results-based framework (<i>Decision 555</i>). The institutional culture of placing much attention on measuring inputs and outputs in planning cycle is already being replaced by orientation towards measuring outcome and impacts. The design of Decision 555 was done in a participative manner.</p>

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<b>D. Catalytic Impacts</b> 45. Has the TA inspired the EA or the IA to seek further assistance to build institutional capacity to implement the tools and techniques introduced under the TA?	Yes. There is a clear expression by the Government that more capacity development assistance is needed for mainstreaming MfDR in government specifically in the area of M&E.
46. Has the project catalyzed change in the way ADB operates? In what way?	The TA was instrumental in improving M&E system in Viet Nam. VRM can now rely more on the system. The recent CPRM contains results indicators and two-thirds of which are from Decision 555.
47. Has the TA influenced the information base available for ADB to manage its results-based country partnership strategies?	Yes, the indicators used in the current CPS are from the SEDP M&E Guidelines the design and content of which the TA supported.

ADB = Asian Development Bank, ADKAR = awareness, desire, knowledge, ability, reinforcement, CPRM = country portfolio review mission, CPRGS = Comprehensive Poverty Reduction and Growth Strategy, CPS = country partnership strategy, CPSU = country partnership strategy update, EA = executing agency, M&E = monitoring and evaluation, MfDR = Managing for Development Results, MPI = Ministry of Planning and Investments, SEDP = Socio-Economic Development Plan, TA = technical assistance, TOR = terms of reference, VRM = Viet Nam Resident Mission.