

ASIAN DEVELOPMENT BANK

RETA 6296: Developing Pro-Poor Governance Knowledge Capability

Inception Report

27 October 2006

I. INTRODUCTION

A. Background

1. This Inception report covers the period from June to October 2006, being the first four months of the total project duration from June 2006 to November 2007, being a total of some eighteen months.

2. This report covers the obligations and actions for ACIG International and its nominated International consultant, Mr. Bryn Campbell.

3. The Asian Development Bank (ADB) is supporting a project to strengthen knowledge and capability among developing member countries (DMCs) in the use of tools and techniques for improving performance of the delivery of services. One of the key objectives of the project is to promote the utilization of the Continuous Improvement and Benchmarking techniques developed by ACIG International in 2005.

4. Two modalities are being applied: the first is to work with an educational institute, and in respect of the Philippines this will be the University of the Philippines. The second modality is to apply the CIB techniques to selected public services within two DMCs, one being the Philippines and the second being Pakistan. In this manner, we will be developing a capability within the DMCs as well as building a capability within the educational sector, with which we can then apply this capability to support additional DMCs in the future.

5. ACIG International submitted a formal proposal to the ADB in May 2006 that offered to complete the work as set out in the ADB project brief, for a total of 117 consulting days and total fees of USD\$110,000.

6. This proposal was duly accepted by the ADB and a notice to proceed was received by ACIG International in August 2006.

7. The RETA formally commenced on the 13th July 2006 with a formal Launch of the CIB Toolkit held at the ADB in Manila. The RETA is planned for completion by November 2007.

B. Deliverables

8. ACIG has a number of deliverables for this project and they are: (a) a number of trained facilitators that are confident to apply the CIB techniques in an application client; (b) improved services within a DMC client that will demonstrate the success of applying the CIB techniques; (c) adoption of the CIB techniques into the curriculum of the educational institute and (d) an updated version of the CIB techniques that reflect the experience of the trained facilitators and the application of the techniques within the DMCs as described at (a) and (b) above.

9. All deliverables are planned to be completed before the end of November 2007.

II. APPROACH AND METHODOLOGY

A. General approach for delivering the outputs

10. The general approach for this RETA, and for the completion of the deliverables is as follows: (a) two service delivery locations will be selected in each of two DMCs; (b) the CIB techniques will be applied at each of the service sites (clients) by teams constructed from the client service staff; (c) these teams will be assisted by a facilitator to apply the CIB techniques to their service or parts of their service to identify improvement opportunities and deliver an improvement implementation plan; (d) the facilitators will be mentored by the International consultant; (e) the facilitators will then consider the CIB techniques for inclusion in the curriculum of their educational institute and (f) the CIB techniques and toolkit will be improved based upon the recommendations from the service client teams and the facilitators.

B. Selection of the facilitators

11. The University of the Philippines – National College of Public Administration and Governance is the nominated educational institute selected by the ADB to cover the application of CIB in the Philippines.

12. Four facilitators have been nominated to support the CIB techniques and their application in the Philippines and they are: Mr Remigio Ocenar, Mr Erwin Alampay, Ms Marylou Mariano and Ms Clarissa Sia.

13. Mr Bryn Campbell (ACIG International consultant) has met all four facilitators and discussed their role in the project and is satisfied they will grasp the CIB techniques and apply them in a professional and competent manner.

14. At this point the project is expected to advance using the above nominated facilitators supported by Bryn Campbell, and no changes are planned or expected.

15. The facilitators have been advised and understand that: (a) around two days per week will be required of their time between October 2006 and July 2007, (b) they will be required to undertake some travel and distance work on Mindanao and (c) they have a communication obligation to Bryn on a weekly basis.

C. Selection of the DMC application clients

16. At this point, one service client has been selected and confirmed for the application of the CIB techniques. That client is the water service within Naawan Local Government Unit. Located on Mindanao. The service manager is Ms Rowena Leotero, Manager, Municipal Economic Enterprise Development Office, Naawan, Misamis Oriental.

17. An additional application client for the Philippines is required and this is expected to be located and confirmed before the end of November 2006. The Project Coordinator is responsible for selecting and confirming the application clients, and ACIGI has a small role in participating in the selection.

18. At this point there are no clients confirmed for Pakistan and this is an issue to followed up by the Project Coordinator.

D. Completion of the “Launch and promotion of the CIB e-learning toolkit”

19. In ACIGI’s proposal we understood and allowed for the “Launch” of the CIB toolkit, and some 2 domestic days were allowed for. We assumed that the “Launch” meant a remote communication session to confirm the project schedule, agree on the facilitators and the application clients and to agree and commence the communication process.

20. As it turned out the “Launch” was undertaken in two parts, one in Beijing China and another larger and more formal event at ADB Manila. Both events were attended by ACIGI consultants.

21. At Beijing ACIGI representative Mr Euan Lockie attended the conference for half a day and hosted a demonstration desk, demonstrating the CIB toolkit and answering the participants questions. Mrs Asha Newsum was also provided with a PowerPoint slide show to present at the conference.

22. In July 2006 ACIGI representative Mr Bryn Campbell attended the ADB in Manila for five days to participate in the formal and public “Launch” event was a programmed event with some eight presenters talking on different aspects of the CIB toolkit, the Citizen Report Card toolkit, the role of the ADB in the development of these toolkits and how the toolkits would be deployed in the near future. Some 100 delegates attended this Launch.

23. It was our expectation that at the above “Launch” that most of the logistical arrangements would have been agreed including the nominated facilitators, the application clients, timing and resources and the budget. This was not to be however, and such logistical arrangements for the Philippines remain unresolved.

24. Further details of the Launch can be obtained from the RETA secretariat Mrs Eden Santiago.

25. A total of some 12 resource days have been consumed on these two events compared to our budget allowance of 2 days.

E. Awareness workshop Manila, October 2006

26. According to ACIGI’s proposal and work plan, a general awareness workshop was planned to be developed and run to: (a) orient the facilitators to the RETA, (b) organize them into client teams and (c) raise their awareness of their role as facilitator and the technical content of the e-learning toolkit (d) agree a schedule to complete the CIB application component of the RETA and (e) agree on the support role of the International consultant and the communication protocol to keep the entire team advised and updated.

27. The Awareness workshop was held in Manila at the University of the Philippines from 16th to 19th October 2006. The workshop agenda and all attendees are recorded and held by the RETRA secretariat.

28. In general, the first two days of the workshop was used to orient the facilitators to the CIB toolkit and their role as a facilitator. A PowerPoint slide show was used and this is held by the RETA secretariat.

29. The third and most important day of the workshop involved: the International consultant the RETA Secretariat, seven of the eight facilitators, representatives from the Department of the Interior and Local Government and the Development Bank of the Philippines, two people representing the application client Naawan LGU, and the Housing and Urban Development Coordinating Council.

30. The ADB Project Manager did not attend and the ADB Project Coordinator attended for only a very short period.

31. The day was spent introducing the RETA and the e-learning toolkit and agreeing with the Naawan representatives how their CRC and CIB projects would be organized and scheduled, what elements of their service would be targeted for improvement, and which facilitators would provide local assistance at the Naawan site.

32. Towards the end of this discussion it occurred to the group to seek information upon the size and complexity of the Water service. In respect of the Billing and collection service we found out that some 3 employees provide the service and some 50% of purchased water is billed, leaving some 50% of water purchased, "leaking" from the system; clearly the later is an opportunity for improvement. In respect of the Maintenance service we understand the service is provided by two plumbers; they are not formally trained by the service operator, they have basic tools; do not have motorized transport but are supplied with bicycles.

33. In respect of applying the CIB techniques, clearly the service would benefit by closing the "leakage" of water and improving the skills and mobility of the two plumbers. However the scale of this service is relatively small (with 5 employees), and is remote being on the west coast of Mindanao.

34. Some questions arise from this: (a) would the service provide sufficient complexity and scale for the facilitator to learn how to manage a CIB team from within the client site and apply the CIB techniques completely; (b) would the service improvement opportunity justify the cost of deploying a facilitator(s) to Mindanao and working with the employees of the service for around 20-30 days, (c) would the small numbers of employees be able to dedicate the time to the CIB program accepting they do have a service to deliver on a daily basis and their small scale may not allow "free time" for CIB; and (d) would the CIB toolkit (written and voiced in English and principally held on electronic medium) be comprehensible and useful to clerical staff and plumbers on Mindanao that currently use manual recording systems and may have limited English literacy.

35. We feel the answer to these questions is probably "No" but we also feel we are committed to supporting the Naawan Water service but the following logistical arrangements need to be put in place to make this CIB application justifiable and succeed:

36. There should be only one facilitator assigned to Naawan, and we recommend Mr Remigio Ocenar for this role. The facilitator will need to work with the five employees, not as a facilitator of a team but more as a team member of the two teams (1) Billing and collection, and (2) Maintenance) that will be constituted from the direct employees. The application of the CIB toolkit will need to be indirect, i.e. the facilitator will use the toolkit not the team members (employees) and the facilitator will take the role of team leader. Rather than the team documenting their findings and outputs, we see the facilitator working with the team members within a participation/ consultation model, and then completing the CIB outputs by them selves, in the local language.

37. This CIB application will provide benefits to Naawan (reduced water leakage and more responsive maintenance) and also provide solid experience for the facilitator.

38. The most disappointing aspect of the workshop was the failure of the Makati representatives (potentially to be a CIB application client) to attend, and as a consequence we were not able to negotiate with them in respect of their application of the CIB techniques within their city.

39. The workshop developed and agreed upon: (a) the schedule, travel budget and team composition for the CIB application at Naawan Water; and (b) the communication protocol and support arrangements with the International consultant. These are detailed in the next section.

40. The representatives from the Department of Interior and Local Government highlighted they have published a number of tools to assist LGUs in improving their services and they expressed some concern the ADB RETA and CIB toolkit may confuse the LGUs and compromise the status and importance of their own toolkits. Bryn assured them their toolkits would not be compromised and they would be kept informed on the RETAs progress. Bryn also suggested that the various toolkits could possibly be merged at a later date rather than have redundant toolkits developed and promoted by different organizations. This is an important political issue to be dealt with by the RETA Manager and Coordinator.

III. IMPLEMENTATION ARRANGEMENTS

A. Naawan Water CIB Application

41. For this application of the CIB techniques the following arrangements have been agreed upon: (a) The CIB Steering Committee will be the existing Naawan PIU Committee that is presently looking over all projects; (b) the Accountable officer will be Ms Rowena Leotero, Manager of the Water service; (c) the facilitator will be Mr Remigio Ocenar; and (d) the specific services to be improved are Billing and collection and Maintenance. The CIB schedule is shown below:

Week number	CIB Task	Due date for completion	Comments
1-2	Appoint the Accountable officer Organise Steering Committee Appoint facilitator	10 Nov	Trip 1
2-4	Plan pilot CIB project	10 Nov	Trip 1
5	Organise CIB project team Define the service	24 Nov	Trip 1
6-7	Understand the service	8 Dec	Trip 1
Christmas Break			
10	Measure the service Consult the community (if req) Investigate problems	19 Jan	Trip 2
11	Identify what to Benchmark Research Best Practice providers Develop Benchmarking Approach Negotiate Benchmarking partner	2 Feb	Trip 2
14	Compare with partners	16 Feb	Manila
15	Identify preferred solutions Recommend improvements	23 Feb	Trip 3
16	Secure funding	2 Mar	Trip 3

Week number	CIB Task	Due date for completion	Comments
	Approve CIB implementation		
17	Build the implementation team	16 Mar	Trip 3

42. The above schedule requires one facilitator to visit Naawan on three occasions and likely stay there for some 15 to 20 days in total. Support from the International consultant will be provided remotely, and a visit by them to Naawan is not planned at this stage.

43. The above due dates may be advanced in line with the scale of the service, however the shown dates should be considered the very latest to complete each task.

44. The above tasks are consistent with the CIB e-learning toolkit, and each task does require the preparation of specific outputs as shown in the toolkit. It is intended each of these outputs be emailed to the International consultant upon completion for Quality control.

B. Roles and responsibilities

45. The roles and responsibilities were clearly articulated to the facilitators during the workshop. Specifically the facilitators were told the CIB project belongs to the application client and not them; their role is to assist, coach, motivate, problem solve etc. but not to take line responsibility for the success or otherwise of the CIB project (see PPT slides). In Naawan's case, the situation is slightly different because the one facilitator will in fact take the role of team leader, due to the small scale of the subject services.

46. The International consultant will provide ongoing support to the facilitators and will Quality control all of the CIB project outputs. The International consultant will plan not to directly interface with the application client, but will if the need arises.

47. The Naawan Accountable officer (Rowena) is the ultimate accountability holder for the CIB application in Naawan, and this must be confirmed by the facilitator during their first visit.

48. The Naawan Water direct staff in Billing and collection (3EFT) and in Maintenance (2 EFT) will become the CIB team members together with the "facilitator". The scale of this service does not allow a larger team however if additional team members wish to join and add their additional skills, they should be welcomed. A maximum team size of four is preferred.

C. Communication protocols

49. It was agreed with the facilitators that the Lead facilitator (Remei) will email Bryn Campbell each week on Monday with a short update (1 page) of the Naawan project. Bryn will also prepare a monthly status report and send this to the RETRA Coordinator.

50. A copy of all the CIB task outputs (forms, templates etc) will be e-mailed/ copied to Bryn Campbell for his Quality control.

51. Bryn is available for consolation and assistance at any time provided a short request is sent agreeing a time for communication. "Skype" is agreed as the preferred voice communication medium.

D. Costs and resources

52. In regard to the International consultants costs and fees are not a concern at this point. We have budgeted for a further three trips to the Philippines (in addition to the Awareness workshop) that are now held in reserve to support the facilitators and the next CIB client – expected to be a major city close to Manila, or part of greater Manila. We understand the city could be Makati or Quezon City.

53. The cost of travel and accommodation for one consultant to support Naawan Water is estimated at around USD\$4,000 (3 return flights and up to 30 days accommodation). We have checked this cost estimate with the RETA Secretariat and understand there is provision within the RETA budget for this cost.

IV. ISSUES

A. CIB application clients

54. The most important issue we have is the lack of application clients in the Philippines and Pakistan. It is clear that without the application clients the facilitators cannot apply the toolkits and their skills, therefore the project will wait until this issue is resolved.

55. A full project plan cannot be established until the two clients within the two DMCs have been established.

B. ACIGI to be consulted on the application clients

56. Within the RETA design, it is a requirement that ACIGI be consulted on the selection of the two DMCs and the CIB application clients. To-date that has not occurred, with the exception we did travel to Angeles City to see the housing development site. With the potential to choose an unsatisfactory site, such as Naawan Water, and to be assured the selection criteria developed by the ADB is achieved, we respectfully ask we be consulted in the next round of DMC/ Client selection.

C. NAPSIPAG Convention in Sydney 4-5 December 2006

57. You indicated we would be welcomed to the above convention to present the CIB toolkit and expand upon the RETA. We have agreed to attend the Sydney convention on the 4th and 5th of December and will await a formal invitation from the organizers.

V. RECOMMENDATIONS

A. Proceed with Naawan Water and one facilitator

58. We recommend we proceed with Naawan Water and with one facilitator (Remi) and then deploy the remaining facilitators to the next CIB client within greater Manila. This needs to be agreed and confirmed with Remi.

B. Urgently negotiate and agree new CIB clients

59. We recommend the ADB seek, negotiate and agree one new client around greater Manila so the UP facilitators (remaining 3) can quickly commence their facilitation role before they become disinterested, and find other more interesting projects.

60. Further to maintain the momentum of the RETA the client sites within Pakistan also need to be quickly negotiated and agreed upon.