



## Completion Report

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Project Number: 45414-001  
Technical Assistance Number: 7999  
August 2015

# Kyrgyz Republic: Support for Strategic Assessment of the Kyrgyz Economy to Promote Inclusive Growth

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TA No., Country and Name			Amount Approved: \$225,000	
TA 7999-KGZ: Support for Strategic Assessment of the Kyrgyz Economy to Promote Inclusive Growth			Revised Amount: \$170,000	
Executing Agency Ministry of Economy (with the supervision by the Office of the Prime Minister)		Source of Funding TASF-IV	Amount Undisbursed: \$24,901	Amount Utilized: \$145,099
TA Approval Date: 14 Dec 2011	TA Signing Date: 14 Dec 2011	Fielding of First Consultant: 16 Jan 2012	TA Completion Date Original: 31 Mar 2013      Actual: 15 Feb 2015	
			Account Closing Date Original: 31 Mar 2013      Actual: 29 May 2015	

### Description

The Kyrgyz Republic experienced political upheaval in 2010, leading to loss of life and injuries to persons, the destruction of private and public property, a weakening of confidence within the private sector, and economic and fiscal pressures. GDP fell by 1.4% in that year. While dealing with the crisis situation after the political events, the leadership of the Kyrgyz Republic was aware that a development strategy would be needed to return the country to a stable growth path and build long-term stability. ADB agreed to provide the small scale technical assistance to support a strategic economic assessment to inform the government's economic strategy. Also, acknowledging that the past strategies were not satisfactorily implemented, the government and ADB agreed that the TA should support the government to develop guidelines for monitoring the implementation of development strategy, and train key government officers in the application of these guidelines.

### Expected Impact, Outcome and Outputs

The impact of TA was improved responsiveness of the Kyrgyz government's long-term development strategy to major constraints to inclusive growth. The outcome was identified priority investments and reforms to promote inclusive growth. The TA's two outputs were: (i) a strategic assessment of the Kyrgyz economy, with detailed analysis of constraints on growth and access to opportunities; and (ii) improved government capacity to monitor development program implementation.

### Delivery of Inputs and Conduct of Activities

The TA formulation was highly relevant. The TA coincided with the country's own preparation of the National Sustainable Development Strategy 2013–2017 (NSDS), and the Strategic Assessment prepared under the TA was used as an input. The Strategic Assessment also informed ADB's Country Partnership Strategy (CPS). The CPS addresses the constraints to inclusive growth which were identified by the Strategic Assessment. The TA's support for monitoring of development program implementation was relevant and timely as it helped the Government for the initial 12 months of monitoring implementation and execution of the key policies and reforms stated in NSDS 2013–2017.

The terms of reference for consultants were adequate for delivering the outputs. The three individual consultants (one international and two national consultants) were engaged according to ADB's *Guidelines on the Use of Consultants* and with the government's consent. Performance of the consultants was satisfactory. Monitoring and evaluation (M&E) expertise was limited in the local market. However, the consultant networked with the government officials who underwent ADB's Shanghai International Program on Development Evaluation Training (SHIPDET) and delivered good outputs.

The TA was administered by KYRM in coordination with CWRC economist. Performance of consultants and the quality of outputs were regularly monitored throughout the TA implementation. The Strategic Assessment was written jointly by the ADB staff and the TA consultant.

The government provided adequate support. The government and other stakeholders provided important feedback to TA at various stages. The M&E consultant was located in the Prime Minister's office to closely coordinate with the government.

The TA was extended three times as (i) the high level council for NSDS determined the institutional arrangement for the NSDS monitoring only in late 2013, and (ii) the data and facts of the Strategic Assessment which was originally

drafted in 2012, needed to be updated prior to official publication in 2014; and (iii) the government requested the Strategic Assessment to be published both in English and Russian, which took an additional time for translation. On 30 September 2014 the surplus funds in the amount of \$55,000 were cancelled.

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

The TA delivered the intended outputs: (i) a report on strategic assessment of Kyrgyz economy with detailed analysis of constraints on growth and access to opportunities, and (ii) improved government monitoring of development program implementation. The strategic assessment of Kyrgyz Economy was published and disseminated, and received positive feedback.<sup>1</sup> While initial findings were shared with the government in 2012, during the NSDS preparation, the report was finally published with updated data in 2014. The published report continues to be used by government officials as a reference. In terms of improving monitoring development program implementation, the TA assisted the government in the development of the guidelines for M&E of the NSDS implementation, and training government staff in the application of these guidelines. The TA also helped the working group on NSDS implementation, supported training for staff of line ministries on establishment of the system of M&E. The guidelines are being used, but it is necessary to monitor their usage. The M&E results framework, template, and M&E database were developed with TA support, and continue to be used for monitoring strategy and program implementation.

Priority areas for investment and reforms to promote inclusive growth were identified, and the ADB's assistance agreed under CPS 2013–2017 fully reflect the priorities. The impact was also achieved as the country's NSDS was approved by President in January 2013. The strategic assessment report was reviewed and endorsed by the Prime Minister's Office and the Ministry of Economy.

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

The TA is rated successful. The TA produced all outputs and outcome, and contributed to achieving impact. The strategic assessment of the Kyrgyz economy, published in 2014, continues to be used by different stakeholders as a reference material in developing a policy and/or program.

#### **Major Lessons**

During preparation of the M&E methodology and guidelines, the M&E consultant faced difficulty in coordinating the implementation of the M&E activities between government agencies which were responsible for M&E of the development strategy and program. Several meetings were held for reconciling the differences, but the situation remained the same. Hence, (i) improved coordination at multiple levels (coordination in M&E system design, coordination across sector and governmental agencies and administrative bodies, coordination in data collection); and (ii) clear division of responsibilities between the governmental agencies are required. The extra effort made at the end to publish and disseminate the report was worth the time and resources. Dissemination efforts are important in expanding the use of the TA outputs. Sharing the findings of the Strategic Assessment through presentations and publications to government officials and decision makers in Russian helped expand the audience, and actual use of the report's findings.

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

The government is aware of need for M&E. Although 45 officials of the government of the Kyrgyz Republic attended and appreciated Shanghai International Program for Development Evaluation Training, they have been unable to fully utilize the knowledge in M&E. The network of the trained officials and systematically building M&E capacity would help the government take advantage of their knowledge. The CDTA "Strengthening Government Capacity for Managing Development Projects"<sup>2</sup> will continue to help the government build M&E capacity.

TA = technical assistance; CDTA = capacity development technical assistance

Prepared by: Rie Hiraoka

Designation and Division: Country Director, KYRM

<sup>1</sup> ADB. 2014. *The Kyrgyz Republic Strategic Assessment of the Economy: Promoting Inclusive Growth*. Manila.

<sup>2</sup> ADB. 2014. *Technical Assistance to the Kyrgyz Republic for Strengthening Government Capacity for Managing Development Projects*. Manila. (CDTA 8783-KGZ, \$600,000, approved on 4 December 2014, financed by TASf).