



# Solomon Islands: Strengthening the Implementation of the National Development Strategy

Project Name	Strengthening the Implementation of the National Development Strategy		
Project Number	47359-001		
Country / Economy	Solomon Islands		
Project Status	Closed		
Project Type / Modality of Assistance	Technical Assistance		
Source of Funding / Amount	TA 8761-SOL: Strengthening the Implementation of the National Development Strategy		
	Technical Assistance Special Fund		US\$ 600,000.00
	TA 8761-SOL: Strengthening the Implementation of the National Development Strategy (Supplementary)		
	Technical Assistance Special Fund		US\$ 120,000.00
Strategic Agendas	Environmentally sustainable growth Inclusive economic growth		
Drivers of Change	Gender Equity and Mainstreaming Governance and capacity development		
Sector / Subsector	Public sector management / Public expenditure and fiscal management		
Gender	Some gender elements		
Description	<p>The TA supports the further implementation of the National Development Strategy (NDS) 2010-2020 which is the first long term development strategy adopted by Solomon Islands. The NDS was the product of nationwide consultations and has enjoyed the support of successive government since its adoption in 2010.</p> <p>The expected impact of the proposed TA is effective policy and strategy implementation.</p> <p>The expected outcome is improved public expenditure management, planning, and reporting.</p> <p>The main TA activities are grouped into four outputs as follows:</p> <p>(i) Implementation of development planning improved.</p> <p>(ii) Integration of the recurrent and development budgets is improved.</p> <p>(iii) Multi-year budget projections are strengthened.</p> <p>(iv) Development partner assistance is better reported and aligned with the NDS.</p>		
Project Rationale and Linkage to Country/Regional Strategy	<p>A key aspect of effective development management is the formulation and implementation of a national development strategy. For Solomon Islands, this is particularly important, because development challenges are daunting, and priorities must be set. ADB previously provided TA for the development of the national development strategy, 2010-2020. ADB followed up this with further TA for NDS implementation which included support for monitoring and evaluation (including an M&amp;E framework), capacity building for planning and line ministry staff, a medium term development plan (MTDP, a rolling 5 year implementation plan for the NDS) and the development of a medium term expenditure framework. On 1st January 2014 the new Public Financial Management Act became effective as a major step in the reform process and to which previous ADB TA had provided inputs.</p> <p>Despite progress in improving development planning and budget processes, this work remains at an early stage and further assistance is required to maintain the reform momentum. The PFM Act requires further regulation to support the MTDP and its implementation. Coordination between the recurrent and development budgets remains poor as has been noted by the Forum Compact Peer Review Report. Budget processes for the recurrent and development budgets remain largely separate and the recurrent costs of development projects are rarely included in the recurrent budget which affects their sustainability. Multi-year budget estimates are at an early stage and there is limited capacity to produce the medium term expenditure framework and link it to the budget documents. Alignment and reporting of donor assistance within the NDS remains poor. There is a need for more regular, standardized reporting of donor activities and for their compilation into a database so the government has the information it requires to effectively manage its own development agenda.</p>		
Impact	Improved policy and strategy implementation		
Project Outcome			
Description of Outcome	Improved public expenditure management, planning, and reporting		
Progress Toward Outcome	<p>The National Development Strategy (NDS) 2016-2035 was launched by the Prime Minister on 29 April 2016. The NDS launch was widely reported. Following the NDS, new Medium Term Development Plan (MTDP) for period 2017-2021 was developed, and assessments on the NDS 2016-2035 performance and implementation of the Development Budget 2016 were completed. The latter is a new monitoring report by the Ministry of Development Planning and Aid Coordination, and presents development expenditure during 2016 and 2017, analysed by sector, ministry, and programs/projects. It is output focused, reporting specifically on program and project expenditure and output performance, showing linkages to the development priorities and outcomes included in the National Development Strategy (NDS) 2016-2035 and the Medium-Term Development Plan (MTDP) 2016-2020.</p>		
Implementation Progress			
Description of Project Outputs	<p>1. Regulations giving effect to planning provisions of the new PFM Act developed and implemented</p> <p>2. Integration of recurrent and development budgets improved</p> <p>3. Multi-year budget projections strengthened</p> <p>4. Coordination between aid management, M&amp;E, and development planning in MDPAC improved</p>		

Status of Implementation Progress (Outputs, Activities, and Issues)	<p>ADB approved a minor change on 23 March 2017 to amend Output 1, reflecting the government's request to have the central focus on improving implementation of development planning, rather than developing and implementing new planning regulations. This is aligned to the Public Financial Management Act of 2013 that became effective as of January 2014, and represents a series of major reforms in Solomon Islands' public financial management, including reforms designed to integrate the recurrent and development budgets, strengthen multi-year budget projections and strengthen the alignment and reporting of donor partners' development assistance. While the NDS and MTDP reflect multi-year planning, approval of the SIG development and recurrent budgets are done on an annual basis. Development and recurrent programs are multi-year and uncertainty and irregularity in availability of annual funds can seriously impact programs, potentially reducing benefits and synergies across programmes. The MTDP, therefore, seeks to be a link between multi-year development plans and the annual budget process, helping to strengthen multi-year budget projections in anticipation of the introduction of the medium-term budget framework foreseen in the PFM Act.</p> <p>The TA was extended to 31 December 2018 to support ongoing training to strengthen macroeconomic and fiscal forecasting skills of staff in the Ministry of Finance and Treasury.</p> <p>The training is completed and the consultant is preparing the final report and accompanying recommendations to ADB.</p>
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Geographical Location

#### Summary of Environmental and Social Aspects

Environmental Aspects

Involuntary Resettlement

Indigenous Peoples

#### Stakeholder Communication, Participation, and Consultation

During Project Design Honiara, Solomon Islands

During Project Implementation Honiara, Solomon Islands

Responsible ADB Officer	Connell, Jacqueline R.
Responsible ADB Department	Pacific Department
Responsible ADB Division	Pacific Liaison and Coordination Office in Sydney, Australia
Executing Agencies	Ministry of Development Planning and Aid Coordination

#### Timetable

Concept Clearance	09 Sep 2014
Fact Finding	31 Aug 2014 to 03 Sep 2014
MRM	-
Approval	18 Nov 2014
Last Review Mission	-
Last PDS Update	21 Sep 2018

## TA 8761-SOL

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
18 Nov 2014	31 Dec 2014	31 Dec 2014	28 Feb 2017	31 Dec 2018	28 Feb 2019

Financing Plan/TA Utilization						Cumulative Disbursements		
ADB	Cofinancing	Counterpart				Total	Date	Amount
		Gov	Beneficiaries	Project Sponsor	Others			
720,000.00	0.00	0.00	0.00	0.00	0.00	720,000.00	08 Nov 2022	714,444.09

Project Page	<a href="https://www.adb.org/projects/47359-001/main">https://www.adb.org/projects/47359-001/main</a>
Request for Information	<a href="http://www.adb.org/forms/request-information-form?subject=47359-001">http://www.adb.org/forms/request-information-form?subject=47359-001</a>
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