



# Micronesia, Federated States of: Public Administration Review of the National Government

Project Name	Public Administration Review of the National Government	
Project Number	46491-001	
Country / Economy	Micronesia, Federated States of	
Project Status	Closed	
Project Type / Modality of Assistance	Technical Assistance	
Source of Funding / Amount	TA 8290-FSM: Public Administration Review of the National Government	
	Technical Assistance Special Fund	US\$ 225,000.00
Strategic Agendas	Inclusive economic growth	
Drivers of Change	Governance and capacity development	
Sector / Subsector	Public sector management / Public administration	
Gender		
Description	The impact of the TA will be an overall political and administrative consensus on the need for revising the NPSS, and adoption of the recommended approach. The outcome will be that the Office of the President (OPR) endorses measures to strengthen the national public administration and the National Public Service System for submission to Congress.	
Project Rationale and Linkage to Country/Regional Strategy	<p>The Federated States of Micronesia (FSM) has long recognized the importance of having a public administration that is responsive, effective, efficient and accountable. The "Development Framework - Looking to the Future", which was presented at the Development Partners Forum in November 2012, reiterates this notion once again. The track-record of past efforts to achieve this objective has, however, been mixed.</p> <p>In the late 1990s, FSM embarked on a program of public sector reform, with support from the Asian Development Bank (ADB). This initiative emphasized the need to (i) sharply reduce the number of public servants and (ii) shift the balance of economic activity away from the public to the private sector. The reform reduced the number of public servants by 22% and while the size of the civil service has been modestly increasing since, the total number of civil servants is still 16% lower than it was prior to the reform.</p> <p>At the same time, the Government has noted that the approach taken was not sufficiently balanced, in that it was too one-sidedly focused on incremental, unprioritized expenditure cuts without sufficiently considering the need to link the downsizing to a strategic plan for a future public service, focused on retaining critical numbers of qualified staff. Finally, the employment capacity in the private sector did not grow as expected, and did not absorb the separated civil servants to the extent anticipated.</p> <p>Restrictions imposed upon the public service in order to reduce wage and salary costs, have impacted adversely on morale of civil servants, and have reduced incentives to perform at high standards. This has induced difficulties to maintain acceptable standards of service delivery and to perform core governmental functions, including planning and budgeting.</p> <p>It is in this context that the national government has articulated the need to (i) carefully revisit the organizational set-up of its public administration and the management of the National Public Services System; and (ii) develop options to strengthen the institutional and human resource foundations to enable more responsive, efficient and accountable public service.</p> <p>The proposed technical assistance (TA) is aligned with the Pacific Approach 2010-2014, which identifies public sector management as a driver of change in the Pacific, and is included in the 2012 TA program in the FSM COBP 2012-2014.</p>	
Impact	Overall political and administrative consensus on the need for revising the NPSS, and adoption of the recommended approach	
<b>Project Outcome</b>		
Description of Outcome	OPR endorses measures to strengthen the national public administration and public service for submission to Congress	
Progress Toward Outcome		
<b>Implementation Progress</b>		
Description of Project Outputs	<ol style="list-style-type: none"><li>1. Assessment of the rationale for the national government's public administration set-up, and National Public Service System.</li><li>2. Options for alternative institutional and organizational arrangements in the national public administration submitted to OPR</li><li>3. Options for revisions to the NPSS operational manuals submitted to OPR.</li></ol>	
Status of Implementation Progress (Outputs, Activities, and Issues)		
Geographical Location		
<b>Summary of Environmental and Social Aspects</b>		
Environmental Aspects		
Involuntary Resettlement		
Indigenous Peoples		
<b>Stakeholder Communication, Participation, and Consultation</b>		
During Project Design		
During Project Implementation		
<b>Business Opportunities</b>		

Consulting Services The TA is expected to be implemented over 12 months, from 1 January 2013 to 31 December 2013, and will require an estimated 160 person-days of consulting services. Two international consultants will be recruited in accordance with ADB's Guidelines on the Use of Consultants (April 2010, as amended from time to time).

Procurement The proceeds of the TA will be disbursed in accordance with Technical Assistance Disbursement Handbook (2010 as amended from time to time)

Responsible ADB Officer	Usui, Norio
Responsible ADB Department	Pacific Department
Responsible ADB Division	Urban, Social Development & Public Management Division, PARD
Executing Agencies	Office of the President

#### Timetable

Concept Clearance	-
Fact Finding	-
MRM	-
Approval	18 Dec 2012
Last Review Mission	-
Last PDS Update	21 Dec 2012

## TA 8290-FSM

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
18 Dec 2012	-	18 Dec 2012	31 Dec 2013	31 Aug 2014	30 Sep 2014

Financing Plan/TA Utilization						Cumulative Disbursements		
ADB	Cofinancing	Counterpart				Total	Date	Amount
		Gov	Beneficiaries	Project Sponsor	Others			
225,000.00	0.00	0.00	0.00	0.00	0.00	225,000.00	17 Jun 2022	211,442.12

Project Page	<a href="https://www.adb.org/projects/46491-001/main">https://www.adb.org/projects/46491-001/main</a>
Request for Information	<a href="http://www.adb.org/forms/request-information-form?subject=46491-001">http://www.adb.org/forms/request-information-form?subject=46491-001</a>
Date Generated	01 March 2024

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