



Technical Assistance Report

Project Number: 43436-01
Regional–Policy and Advisory Technical Assistance (R-PATA)
February 2010

Fourth High-Level Forum on Aid Effectiveness

Asian Development Bank

ABBREVIATIONS

ADB	–	Asian Development Bank
CDDE	–	Capacity Development for Development Effectiveness
DMC	–	developing member country
HLE	–	high-level event
HLF-4	–	Fourth High-Level Forum on Aid Effectiveness
MfDR	–	managing for development results
OECD-DAC	–	Organisation for Economic Co-operation and Development- Development Assistance Committee
SPD	–	Strategy and Policy Department
SSC	–	south-south cooperation
UNDP	–	United Nations Development Programme
WP-EFF	–	Working Party on Aid Effectiveness

TECHNICAL ASSISTANCE CLASSIFICATION

Type	–	Regional—policy and advisory technical assistance (R-PATA)
Targeting Classification	–	General intervention
Sector (subsectors)	–	Public sector management (economic and public affairs management, public expenditure and fiscal management, public administration)
Themes (subthemes)	–	Capacity development (institutional development; client relations, network, and partnership development); regional cooperation and integration (other regional public goods); governance
Location Impact	–	Regional (high), national (high)
Partnerships	–	Organization for Economic Co-operation and Development, United Nations Development Programme, World Bank, Government of Japan

NOTE

In this report, “\$” refers to US dollars.

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I. INTRODUCTION

1. This regional policy and advisory technical assistance (TA) will allow the Asian Development Bank (ADB) and its developing member countries (DMCs) to effectively participate at the Fourth High-Level Forum on Aid Effectiveness (HLF-4) to be held in the Republic of Korea in 2011 and in preparatory activities leading to the event.¹ The TA also represents ADB's ongoing commitment to the Paris Declaration on Aid Effectiveness (the Paris Declaration), as expressed by the President at the Second High-Level Forum (HLF-2) in Paris in March 2005 and subsequently reaffirmed at the Third High-Level Forum on Aid Effectiveness (HLF-3) in Accra, Ghana in September 2008. The concept note on this subject was approved on 28 September 2009. The TA design and monitoring framework is in Appendix 1.

II. ISSUES

2. **Commitment to support global efforts to enhance aid effectiveness.** ADB, as a part of the development community, participated in the HLF-1 held in Rome in 2003, which identified a general framework for harmonization and alignment; the HLF-2, which produced the Paris Declaration; and the HLF-3, which endorsed the Accra Agenda for Action. ADB organized and participated in a number of key events notably the regional consultation workshops in preparation for the HLF-2 and HLF-3, the post-Paris consultations and monitoring surveys, and the managing for development results (MfDR) round tables and related activities. As a follow-up to the HLF-3, ADB facilitated DMC capacity development through peer-to-peer learning as part of the Capacity Development for Development Effectiveness (CDDE) Facility program.²

3. **Focus on improving aid effectiveness in the region.** ADB is currently finalizing the results of its third aid effectiveness survey covering aid disbursed to 25 countries in the Asia and Pacific region in 2008. While ADB has made significant progress in meeting its Paris Declaration commitments and in the three Accra Agenda for Action focus areas, much more is required to improve aid effectiveness and development effectiveness in the region. This requires international, ADB-wide, and country actions. It will also require continued efforts in pursuing current initiatives including enhancing capacity development; strengthening country ownership; mainstreaming the principles of aid effectiveness in ADB policies, strategies, and operating guidelines; and building more effective and inclusive international partnerships to influence global policy and actions on key issues.

4. **Greater role for ADB in HLF-4.** ADB played a key role in the HLF-3. Since the HLF-4 is to be held in Asia and the Pacific and be hosted by an important partner—the Republic of Korea—ADB is expected to play an even more active role in organizing and supporting the event as well as the preparatory activities. The Working Party on Aid Effectiveness (WP-EFF) of the Development Assistance Committee of the Organisation for Economic Co-operation and Development (OECD-DAC) is beginning to prepare for the HLF-4. The HLF-4 and the analysis that feeds into it will assess how countries and development partners have performed in delivering on their commitments. The concept note and draft agenda are currently being

¹ The TA first appeared in the business opportunities section of ADB's website on 23 October 2009.

² To support DMC capacity development needs for in-country implementation of the Paris Declaration, a joint development partner initiative—the CDDE Facility—was launched in Manila in March 2009 with support from the Government of Japan, United Nations Development Programme (UNDP) Regional Center Bangkok, and World Bank. ADB 2009. *Technical Assistance for the Governance and Capacity Development Initiative (Phase 2)*. Manila (TA 7277-REG) provided \$150,000 to the joint development partners' fund managed by UNDP, Regional Center Bangkok. <http://www.adb.org/Aid-Effectiveness/default.asp> and <http://www.aideffectiveness.org/CDDE-Capacity-Development-for-Development-Effectiveness-Facility.html>

finalized by the HLF-4 organizing committee in consultation with development partners. A discussion of the preparatory works follows.

5. **Promote south-south cooperation to enhance cooperation effectiveness and achieve development results.** As a member of the task team on south-south cooperation (SSC), ADB is expected to play a significant role in the High-Level Event (HLE) on South-South Cooperation and Capacity Development to be held in March 2010 in Colombia. After documenting and analyzing SSC experiences and their synergies with the aid effectiveness agenda, the task team intends to identify and agree on good SSC practices. This analytical work will be disseminated and discussed at the HLE in the context of aid effectiveness.

6. As a member of the steering committee, ADB is expected to, among others, (i) support, follow up, and supervise thematic preparation for the HLE on SSC, particularly regarding the work of round tables and corresponding analytical work; (ii) promote and ensure synergies and balances between the SSC and capacity development agendas, (iii) prepare, share, and consolidate the ministerial and heads of delegation recommendations for the HLE regarding SSC and capacity development; and (iv) safeguard the integration of the HLE in the broader logic of the process leading from Accra 2008 via the HLE in 2010 and HLF-4 in 2011. ADB will also facilitate participation of some DMCs in the Asia regional meeting.

7. **Strengthen capacity development of DMCs.** ADB will help strengthen the voice of partner countries through the south-south initiatives financed by the CDDE Facility. The facility made significant progress in building DMC capacity, and facilitating implementation of the Paris Declaration in the region.³ The continued support to the CDDE Facility through this TA is necessary to provide assistance to the DMCs on issues related to aid effectiveness, and strengthen input from Asia and the Pacific for the HLF-4. The CDDE work plan for 2010 and 2011 is being prepared using consultations with the Asia-Pacific community of practice on aid effectiveness, set up by the CDDE Facility. All facility south-south initiatives have capacity development at their core and a concern with monitoring country results.

8. **Improve the use of conditionality that reinforces country ownership.** ADB co-chairs a task team on conditionality under the transparent and responsible aid cluster of the WP-EFF. ADB will undertake joint analytical work, participate in country consultations, and disseminate good practices on conditionality with other members of the task team. The outcomes of this work will also feed into the HLF-4.

9. **Support DMC participation at the HLF-4.** ADB will support DMC participation in the HLF-4 as well as in the preparatory meetings. Through subregional consultations, ADB will draw on the views of its partner countries and civil society organizations to assess the impact of the Paris Declaration on Aid Effectiveness across the region, and facilitate development of perspectives and priorities on aid effectiveness for Asia and the Pacific.

10. This TA is therefore required to ensure effective participation of the DMCs and ADB in the HLF-4 and in the preparatory activities; and through such participation to enhance country ownership and leadership, and influence global policy on aid effectiveness.

³ Details are provided in the Six-Month Progress Report of the CDDE Facility at www.aideffectiveness.org.

III. THE TECHNICAL ASSISTANCE

A. Impact and Outcome

11. The TA will contribute to global efforts to improve international aid effectiveness policies and development partner approaches that are aligned to DMC needs in the region. The TA's outcome will be enhanced country ownership and leadership of the aid effectiveness agenda.

12. The expected outputs are (i) best practices and country-specific examples to be presented at the HLE on SSC and the HLF-4; (ii) a regional perspective document and regional consultation reports on key HLF-4 themes; (iii) report on shared experiences and common issues with MfDR to be presented at the HLF-4; (iv) CDDE Facility outputs, such as initiatives reports and annual progress reports based on the work plan for 2010 and 2011; and (v) documented best practices of development partners on conditionality.

B. Methodology and Key Activities

13. Activities for the 2010 HLE on SSC and capacity development and the 2011 HLF-4 include

- (i) support for the participation of DMCs in (a) the January 2010 regional meeting in Asia, including financing of travel and accommodation costs, and preparation of case studies; (b) the OECD-DAC 2010 survey (organization of regional workshop and country support through resident missions); and (c) the 2011 HLF-4 (both from government and civil society organizations) including financing of travel and accommodation costs, and preparation and participation at the marketplace);
- (ii) organization of the consultation process within Asia and the Pacific in 2010 and 2011 (holding of several subregional workshops and publication of reports);
- (iii) ADB's own contribution and participation at the HLE and HLF-4 (including preparation of case studies, staff contribution for round tables and plenary sessions, organization of side events, participation at the marketplace, preparation of ADB survey reports);
- (iv) dissemination of packages and reports to improve awareness of the HLF-4 process within and outside of ADB; and
- (v) financing of DMC-led follow-up subregional and country activities (2010–2011).

14. ADB is part of the CDDE Facility secretariat and the steering committee, and will be closely involved in preparing the CDDE work plan for 2010 and 2011. The United Nations Development Programme (UNDP) Regional Center Bangkok will administer the CDDE activities and manage resources based on the agreed work plan.

15. ADB, as a co-chair of the task team on conditionality, will contribute documentation of good practice, and country dissemination of such practices. The outcomes of this work will feed into the HLF-4.

16. ADB will organize a regional meeting of the community of practice of MfDR members at a location and date to be determined to share experiences and ideas about the use of MfDR for achieving development outcomes, and identify common issues to be presented at the HLF-4.

C. Cost and Financing

17. The TA is estimated to cost \$700,000, to be financed on a grant basis by ADB's Technical Assistance Special Fund (TASF-IV). This amount includes (i) consulting services; and (ii) training, seminars, and conferences (for the consultation meetings including travel of resource persons and DMC participants). The cost estimates and financing plan are in Appendix 2.

D. Implementation Arrangements

18. A steering group will be set up to provide guidance on major decisions on various aspects of HLF-4 activities, agree on ADB's position from an institutional perspective, and systematically facilitate early decisions on major activities. The steering group will be headed by the director general of ADB's Strategy and Policy Department (SPD) and comprise senior staff (depending on the specific agenda of the HLE and HLF-4, which is being prepared by the WP-EFF, of which ADB is a member). An interdepartment working group will be set up to coordinate elements of aid effectiveness covering issues of public financial management, procurement, and results; and to develop a coordinated work plan to prepare for the HLF-4 and preparatory activities. The working group will be led by the Strategy, Planning, Policy and Interagency Relations Division.

19. SPD will implement the TA from December 2009 to May 2012. ADB will be the executing agency. SPD, specifically the Strategy, Planning, Policy and Interagency Relations Division, will administer the TA in cooperation with the regional departments, resident missions, and other staff depending on the topics for the 2010 HLE and 2011 HLF. CDDE activities will be managed and implemented by the UNDP Regional Center in Bangkok. Through this TA, ADB will provide \$150,000 to the joint development partners' fund that UNDP will manage. For this purpose, an administrative arrangement between ADB and UNDP will be signed as set out in the memorandum of understanding between them dated 23 July 2007. Consultants will be engaged to provide technical support and administrative and logistical assistance (for organization of workshops, seminars, and other activities). Estimated inputs of 7 person-months from international consultants and 12 person-months from national consultants will be required. The outline terms of reference for consultants are in Appendix 3. ADB will engage the consultants on an individual basis and in accordance with its Guidelines on the Use of Consultants (2007, as amended from time to time). A no-objection letter will be obtained from each DMC where DMC-specific activities will be conducted. Disbursements under the TA will be done in accordance with ADB's *Technical Assistance Disbursement Handbook*.⁴

20. SPD will work with the regional departments to organize the workshops and prepare the necessary materials for the consultations.

21. To ensure timely and effective dissemination of results and deliverables from the consultation workshops, plans are in place to ensure that the consolidated report and summaries of discussions at the workshops will be disseminated to the DMCs and other development institutions. These reports will also be distributed at the HLF-4.

⁴ ADB. 2008. *Technical Assistance Disbursement Handbook*. Manila.

IV. THE PRESIDENT'S DECISION

22. The President, acting under the authority delegated by the Board, has approved the provision of technical assistance not exceeding the equivalent of \$700,000 on a grant basis for the Fourth High-Level Forum on Aid Effectiveness, and hereby reports this action to the Board.

DESIGN AND MONITORING FRAMEWORK

Design Summary	Performance Targets/Indicators	Data Sources/ Reporting Mechanisms	Assumptions and Risks
<p>Impact Improved international aid-effectiveness policies and development partner approaches aligned to DMC needs in the region</p>	<p>Development partner policies and guidelines</p>	<p>(i) HLE-SSC and HLF-4 declarations, communiqués, and reports</p>	<p>Assumption All stakeholders contribute and reach agreement at the HLE and HLF-4.</p> <p>Risk Consensus cannot be reached on key issues at the HLE and HLF-4.</p>
<p>Outcome Enhanced country ownership and leadership on the aid effectiveness agenda</p>	<p>Active DMC participation in lead roles in round tables and various events around the HLE, and HLF-4</p> <p>DMC participation and roles in preparatory activities and setting agenda for the HLF-4</p>	<p>(i) HLE and HLF-4 agenda and reports</p> <p>(ii) OECD-DAC 2010 survey, and ADB 2009 and 2010 Paris Declaration implementation surveys</p>	<p>Assumption DMCs demonstrate strong ownership of the aid effectiveness agenda and leadership at global events.</p> <p>Risks DMCs may express preference to focus on national plans, and give lower priority for aid effectiveness issues.</p> <p>DMCs lack capacity and ownership to engage effectively on the Paris Declaration and Accra Agenda for Action.</p>
<p>Outputs</p> <p>Best practices and country-specific case studies to be presented at the HLE on SSC and the HLF-4</p> <p>Regional perspective document, and regional consultation reports on key themes of the HLF-4</p> <p>Report on meeting to share experiences on MfDR, and identify common issues to be presented at the HLF-4</p> <p>CDDE Facility outputs will be reports of initiatives and annual progress based on work plan 2010 and 2011</p>	<p>(i) Good attendance of DMCs at the workshops and active contribution</p> <p>(ii) Clear best practice examples and way forward identified in the reports</p> <p>(iii) Increased south-south dialogue and plans of peer-peer learning agreed at the workshops</p>	<p>(i) Reports on south-south cooperation and conditionality</p> <p>(ii) CDDE workshop reports and consolidated regional perspective document</p> <p>(iii) OECD-DAC 2011, and ADB 2009 and 2010 Paris Declaration implementation surveys</p> <p>(iv) HLF-4 documents and reports</p>	<p>Risks</p> <p>DMC attendance at subregional workshops is poor.</p> <p>DMCs have little interest in the HLE and HLF-4.</p> <p>Workshop reports are of poor quality.</p> <p>DMCs may not agree on a single document as properly reflecting a regional perspective.</p> <p>ADB response is not coordinated.</p> <p>DMCs lack capacity to assess their own capacity needs.</p> <p>Competing demand for resources of other</p>

Design Summary	Performance Targets/Indicators	Data Sources/ Reporting Mechanisms	Assumptions and Risks
Documented best practices of development partners on conditionality (WP-EFF cluster C work)			development partners results in lack of adequate resources for CDDE. All stakeholders are unable to agree on best practices or way forward.
Activities with Milestones <ol style="list-style-type: none"> 1. High-Level Event on South-South Cooperation (March 2010) and HLF-4 (2011) 2. Study on best practices on conditionality 3. Preparation of reports as contribution to HLF-4 4. Participation of DMCs at the Asia Regional Meeting on South–South Cooperation and at the HLF-4, including COP-MfDR 5. Participation of DMCs in CDDE initiatives 6. Regional consultations and all other activities supporting the organization of the HLF-4 in the Republic of Korea 			Inputs ADB: \$700,000 to finance preparation of case studies for the HLE on SSC; subregional consultations on the HLF-4 agenda; round tables and other aid effectiveness issues; production of documentation for the HLF-4, including perspectives document, conditionality assessment, and best practice document; and consulting services required for these activities Resident missions: in-kind support for hosting workshops and meetings, in close coordination with regional departments and RSDD Cofinancing has not yet been identified. However, based on past experience, work may be undertaken with UNDP for updating the COP website and for holding workshops and meetings.

ADB = Asian Development Bank, CDDE = Capacity Development for Development Effectiveness Facility, COP-MfDR = Community of Practice-Managing for Development Results, DMC = developing member country, HLE = high-level event, HLF-4 = Fourth High-Level Forum on Aid Effectiveness, OECD-DAC = Organisation for Economic Co-operation and Development-Development Assistance Committee, RSDD = Regional and Sustainable Development Department, SSC = south–south cooperation, UNDP = United Nations Development Programme, WP-EFF = Working Party on Aid Effectiveness.

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Kazu Sakai
 Director General
 Strategy and Policy Department

Date:

Date:

COST ESTIMATES AND FINANCING PLAN
(\$'000)

Item	Total Cost
Asian Development Bank Financing^a	
1. Consultants	
a. Remuneration and per diem	
i. International consultants	116.00
ii. National consultants	36.00
b. International and local travel	15.00
c. Reports and communications	20.00
2. Training, seminars, and conferences (consultations) ^b	
a. Fourth High-Level Forum on Aid Effectiveness and preparatory events and activities	255.00 150.00
b. Capacity Development for Development Effectiveness Facility	90.00
c. Community of Practice on Managing for Development Results	
3. Contingencies	18.00
Total	700.00

^a Financed by the Asian Development Bank's Technical Assistance Special Fund (TASF-IV).

^b Includes travel of resource persons, travel of Asian Development Bank staff as resource persons, participants' travel cost, per diem, report printing and publication, and other related costs.

Source: Asian Development Bank estimates.

OUTLINE TERMS OF REFERENCE FOR CONSULTANTS

A. Aid Effectiveness/Development Effectiveness Experts on Topics of Fourth High-Level Forum on Aid Effectiveness (international consultants, 5.5 person-months)

1. The technical assistance (TA) will support Asian Development Bank (ADB) participation in the High-Level Event (HLE) on South–South Cooperation and Capacity Development and the Fourth High-Level Forum on Aid Effectiveness, as well as their respective preparatory meetings. This will require preparation of case studies and other key documents and reports. The Accra Agenda for Action strengthens commitments made in Paris related to several areas including transparent and responsible delivery of aid, south–south cooperation, and implementation of conditionality practice. As a part of the evolving agenda of the HLE and HLF-4, a number of specific issues may be taken up as a part of the HLF-4 round tables and in the preparatory activities for the HLE and HLF-4. Some of the examples of topics being considered are sustainable development, global goods, use of country good practices on mutual accountability, and the importance of regional perspectives on aid effectiveness and development effectiveness. The international consultants will assist in developing regional perspectives and good practice documents on HLE and HLF-4 issues, especially on conditionality implementation, south–south cooperation, or any other work on specific topics of the HLF-4, as and when the specific agenda is finalized.

B. Communications Strategy Expert (international, 1.5 person-months)

2. An internationally recruited individual consultant with expertise in communication and media will be engaged for 1.5 person-months to work closely with the Strategy, Planning, Policy and Interagency Relations Division of ADB's Strategy and Policy Department to develop a coherent communication and dissemination plan to ensure broad stakeholder participation on HLF-4 issues. The plan should cover both communication and dissemination plans internally within ADB headquarters, in the country offices, and in the developing member countries.

3. The tasks of the consultant will include developing a communication strategy to publicize and disseminate action already being taken, and for broader consultation on major issues of the HLE and HLF-4 to create awareness at all levels of country offices of development partners as well as in the developing member countries, and for updating ADB's aid effectiveness website.

C. Coordinating Expert (national, 12 person-months)

4. A national consultant (or consultants) will be engaged to help with the effective planning, coordination, and conduct of a series of activities regarding the international agenda of aid effectiveness, in particular the activities related to preparations for the HLF-4 in the Republic of Korea in 2011. He or she will report to staff of the Strategy, Planning, Policy and Interagency Relations Division and provide the following administrative support to deliver the outputs required to achieve the purpose of the assignment:

- (i) Provide and coordinate secretariat support during the workshops to help with organization and arrangements, and assist in documenting the workshop sessions.
- (ii) Coordinate all necessary logistical arrangements for the subregional workshops, including all relevant meetings, consultations, and videoconferences; prepare required correspondence and respond to inquiries.

- (iii) Set up workable arrangements with the resident missions concerned for the planning, execution, and monitoring of all activities relevant to the events and closely coordinate with them on all logistical and administrative matters.
- (iv) Help consolidate and synthesize workshop materials and reports, and liaise with the printing office for the production of these materials as necessary.
- (v) Liaise with development partners who will cosponsor the workshops (United Nations Development Programme, Government of Japan, World Bank, and others) with regard to organization, arrangements, and fund transfers; coordinate the preparation of necessary letters of agreement for sharing expenses.