



Technical Assistance Consultant's Report

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Supporting ADB's Engagement in Fragile Situations

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RETA 7269 Technical Assistance for Supporting ADB's
Engagement in Fragile Situations

2nd Quarter Progress Report

April 2010

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Abbreviations

ADB	Asian Development Bank
ADF	Asian Development Fund
AFRM	Afghanistan Resident Mission
COSO	Central Operations Services Office
CPA	Country Performance Assessment
CPS	Country Partnership Strategy
DER	Department of External Relations
DFID	Department for International Development, United Kingdom
DMC	Developing Member Country
ELPP	Ermera Livelihood and Productivity Project
ERD	Economics and Research Department
FATA	Federally Administered Tribal Areas (Pakistan)
FSST	Fragile Situations Support Team
GPE	Governance and Political Economy
IDPS	International Dialogue on Peace Building and State Building
INCAF	International Network on Conflict and Fragility
NRM	Nepal Resident Mission
NWFP	North West Frontier Province (Pakistan)
OECD	Organisation for Economic Co-operation and Development
PARD	Pacific Department
PCNA	Post Conflict Needs Assessment
PLCO	Pacific Liaison and Coordination Office, Australia
PNG	Papua New Guinea
PNRM	Papua New Guinea Resident Mission
RETA	Regional Technical Assistance
SLRM	Sri Lanka Resident Mission
SOTL	Special Office in Timor-Leste
TA	Technical Assistance
TL	Timor-Leste
TOR	Terms of Reference
WB	World Bank

1. Introduction

This Regional Technical Assistance (RETA 7269 “Supporting ADB’s Engagement in Fragile Situations”) aims to bring into the ADB mainstream different operational approaches to situations of fragility or post-conflict and also responds directly to the aims of strengthening Fragile Situations outlined in ADB’s Pacific Approach¹. The RETA comprises two main pillars; firstly piloting country initiatives that practically demonstrate elements of ADB’s approach and secondly building information resources and a network that raises awareness and engender debate amongst staff and partners on ADB operations in fragile situations. A summary of the key objectives and outputs of the RETA is provided below, the full design and monitoring framework is available in (Appendix 1).

Impact

Differentiated operational approaches to situations of fragility or post-conflict integrated into the ADB mainstream.

Outcome

Strengthened in-house capacity to apply elements of ADB’s approach to engaging with countries in fragile situations.

Outputs:

1. Elements of ADB’s approach piloted in operations (through country initiatives).
2. ADB’s field presence augmented in selected small, fragile and conflict-affected countries (through country initiatives)
3. In-house network and resource centre established
4. Final publication with ADB’s engagement experiences delivered

The RETA was approved in April 2009 and activities under the RETA began in September 2009 with the support of the Fragile Situations Support Team (FSST)². Completion date for the RETA is 31st December 2011. This report is the second quarterly progress report up to the end of March 2010. A summary of key achievements in this reporting period is provided followed by a more detailed report on progress against outputs. The final section of the report considers future directions for the RETA and provides an updated work-plan.

¹ ADB 2009 ADB’s Pacific Approach 2010-2014

² The FSST comprises The Focal Point/Senior Coordinator (Fragile Situations), Operations Officer (Office the Director General PARD), Operations Assistant (PARD), TA Coordinator, TA Knowledge Management Specialist.

2. Summary of Key Achievements

Design Summary	Performance Targets and Indicators	Summary of Achievements September – November 2009
<p>Outputs</p> <p>1. Elements of ADB's approach piloted in operations (through country initiatives)</p> <p>2. ADB's field presence augmented in selected small, fragile, and conflict-affected countries (through country initiatives)</p> <p>3. In-house network and resource centre established</p> <p>4. Final publication with ADB's engagement experiences delivered</p>	<p>Number and quality of country initiatives submitted (4–6 expected)</p> <p>Level and quality of support provided to resident missions and liaison offices through country initiatives</p> <p>Network membership and Web activity</p> <p>Number and quality of guidance documents, tools, and knowledge products disseminated</p>	<p>Country initiative supporting ADB's conflict sensitive approach in Nepal finalised and operational.</p> <p>Country initiative in Timor Leste on conflict sensitive consultation and participation prepared and approved.</p> <p>Country initiative in Papua New Guinea on political economy and governance in respect of inclusive growth prepared and approved.</p> <p>Region-wide initiative on development of handbook and guidelines for business processes in Fragile Situations approved and under preparation.</p> <p>ADB Development Coordinator for Vanuatu selected and awaiting notice to proceed.</p> <p>Peace-building Advisor for Nepal Resident mission recruited and in position.</p> <p>International and national consultant for political economy and governance study in PNG selected and under recruitment.</p> <p>Website complete, tested and ready for launch. Resource centre populated. Maintenance needs of the website assessed.</p> <p>Potential network members surveyed and information analysed. Collaboration website for network members developed and populated with relevant materials and maintained.</p> <p>Proposal for impact stories developed and planned.</p>
<p>Additional Outputs</p>		<p>Short paper prepared on the way ahead for ADB Engagement in Fragile Situations</p> <p>Support provided to the preparation of the Pakistan Post Conflict Needs Assessment for NWFP and FATA.</p> <p>First stage of analysis of CPA data for fragile states completed.</p> <p>Matrix summary on ADB's engagement and achievements in fragile and conflict affected situations updated.</p> <p>Presidents briefing on ADB support to fragile and conflict affected situations prepared for ADB annual meeting.</p>

3. Detail on Progress against Outputs to Date

3.1. Output 1. Elements of ADB's approach piloted in operations (through country initiatives)

3.1.1. Development of work on country Initiatives

During this reporting period the initial ideas and preparations for initiatives in quarter 1 were consolidated. Work on two approved initiatives (Vanuatu and Nepal) continued, two further country initiatives were approved and prepared (PNG, Timor Leste) and a proposed initiative for Afghanistan expanded into a broader initiative covering guidance for all fragile and conflict affected situations. Delays were experienced in recruiting the Development Coordinator for Vanuatu (see 3.1.2.) and due to unforeseen circumstances the Timor Leste initiative had to be cancelled at the last minute (see 3.1.5.).

3.1.2. Vanuatu Initiative

Support from the RETA comprises the provision of a local consultant Development Coordinator responsible supporting the Government of Vanuatu to implement its national development strategy. The objective of the assignment is to improve ADB's responsiveness to the development needs of Vanuatu by (i) engaging with the Government of Vanuatu, the private sector, and non-government organizations; (ii) supporting the Government to implement its National Development Strategy through ADB interventions and (iii) improving aid coordination.

At the end of quarter 1 a preferred candidate had been selected for this position through an open competition. The preferred candidate was previously employed by ADB and therefore a minimum three month cooling off period was required before appointment. The consultant is now expected to take up the position in May 2010.

3.1.3. Nepal Initiative

This initiative aims to strengthen project design and implementation in Nepal RM through the application and further development of a peace building tool (peace filter). Support from the RETA comprises a local peace-building consultant responsible for i) supporting resident mission staff and project design teams to undertake conflict sensitivity analysis using the peace building tool, ii) collaborating with other donors and agencies on conflict risk management, iii) documenting and disseminating lessons and best practice on conflict sensitivity analysis in ADB NRM and iv) strengthening the design of the peace-building tool.

The position was advertised locally during the last reporting period and 29 applications were received. Based on discussions with NRM a short list of 6 candidates was developed of which 5 attended interviews at NRM. The RETA coordinator participated in the short-listing of candidates and as a member of the interviewing panel through the video conference facility. The coordinator also provided and assessed a short written test for prospective candidates. The strongest candidate, Ms Sharada Jnawali, a former Conflict Management and Mitigation Advisor for USAID, was selected and took up the appointment on 29th March 2010. A mission to support and coordinate development of a work-plan with Ms Jnawali is planned for early in the next reporting period the TOR for this mission is given in Appendix 2.

As part of this initiative an active dialogue with the WB and SLRM on the development and use of conflict sensitive tools in programming has continued. WB has shared conflict sensitive tools under preparation for Nepal and Sri Lanka and has commented on ADB's peace building tool. The WB officer responsible for designing the conflict sensitive tools also met with the NRM Principal Country Specialist and prospective ADB consultant (Sharada Jnawali) under the auspices of the RETA to discuss WB's outlook in respect of conflict sensitive programming. The dialogue on tools has emphasised the need for bringing all the relevant tools and procedures in respect of operating in conflict affected situations together into a more user friendly package and it is anticipated that this could be integrated with the proposed guidelines initiative (3.1.6.).

3.1.4. Papua New Guinea Initiative

During the last reporting period two potential initiatives were being considered in PNG i) Governance and Political Economy (GPE) Study and ii) Support to Engagement with Civil Society. Following discussions with PNRM it was decided to prioritize the GPE study because this would fit in with a planned diagnostic study in PNG by ERD and go some way to addressing a perceived gap in such contextual information available in PNG. Support to Engagement with Civil Society remains an important issue and will be hopefully revisited shortly.

Further research was carried out on GPE approaches especially in relation to growth diagnostic studies and a dialogue on this established with DFID and WB who provided examples of similar studies carried out in Africa and Asia. Based on this dialogue and discussions with PNRM and ERD a detailed TOR for the initiative was developed and approved (Appendix 3). Support from the RETA will comprise an international and national consultant for at least 6 weeks who will be responsible for carrying out a study on institutional and governance issues based on the priority binding constraints identified in the growth diagnostic. Specifically the study will; i) review institutional and governance arrangements and capacities, ii) analyse the political economy drivers and how they shape current stakeholder positions and actions and iii) support the growth diagnostics team to come up with feasible policy recommendations in respect of binding constraints.

A recruitment process for both an international and national consultant was initiated and prospective candidates selected and approved by PNRM and ERD. The consultants are currently under recruitment. Due to the lack of availability of certain socio economic data in PNG it is anticipated that the main growth diagnostic may take longer than anticipated. To accommodate this the GPE study will be undertaken in two separate missions one in June and one in September (tentative).

3.1.5. Timor Leste Initiative

During the last reporting period two potential initiatives were being considered in Timor Leste; i) conflict sensitive consultation and participation for the Ermera Livelihoods and Productivity Project (ELPP) and ii) provision of a governance advisor for the office of the Vice Prime-minister. Development of the first initiative continued based on the strong support of the project team and the ground work done during a mission to TL by the TA Coordinator in November. Although a number of requests were made to the TL government to take the second initiative forward no feedback was received and in consultation with PARD staff this initiative was put in abeyance until the TL government provided clarity on this issue.

Country Initiatives	Main Objective	Key Inputs	Budget	Current Status
Vanuatu: Development Coordinator	To improve ADB's responsiveness to the development needs of Vanuatu	Local consultant Coordinator 15 months	112,585	Initiative approved Local consultant candidate selected expected to take up position in May 2010
Nepal: Support for Conflict Sensitive Programming	To strengthen project design and implementation in Nepal RM	Technical backstopping Local consultant Peace-building Adviser 12 months	75,000	Initiative approved Local consultant candidate recruited and in position on 29 th March 2010
Papua New Guinea: Governance and Institutional Study	To provide an understanding of the underlying political economy of binding constraints to growth	Technical Backstopping International consultant Governance/Institutional 4 weeks, Local consultant Governance/Institutional 4 weeks	69,500	Initiative approved and consultants under recruitment. Study expected to start in June 2010
Papua New Guinea: Support to Engagement with Civil Society	To enhance CPS outcomes in PNG through improved engagement with civil society at all levels of operations	Local consultant Civil Society and Community Driven Development 18 months		Initiative suspended
Timor Leste: Ermera Livelihoods and Productivity Project	To support conflict sensitive consultation and participation and integrate peace-building approaches	Under discussion possibly support from TA Coordinator plus local consultant.	51,500	Initiative approved but cancelled due to reorganisation of Timor Leste program
Timor Leste: Governance Adviser, Office of the Vice Prime-minister	To support the establishment of the unit to coordinate investment programmes across government ministries and address corruption issues.	International consultant Governance Adviser 6 months		Initiative suspended
Guidelines	To support ADB operations in Fragile and Conflict Affected Situations through advice on programming, instruments and business processes.	Support from TA Coordinator for preparation of guidelines.	10,000	Research ongoing, initial summary matrix prepared.

Table 1. Summary of Initiatives under preparation or consideration

The support proposed from the RETA for the Ermera project was an international and local consultant to support a conflict sensitive consultation process that would inform preparation of the ELPP. The objective of the initiative was to strengthen the design and implementation of the project through the development and testing of a pilot conflict sensitive consultation process. A detailed TOR was prepared in consultation with the project team leader (Appendix 4) and consultant recruitment initiated. Prospective candidates were selected and approved by the team leader and SOTL and were expected to be fielded by mid February. In early February a management decision was taken to reorganize the water related and infrastructure programs in TL which meant that the ELPP would not proceed as planned. It was therefore decided to cancel this initiative. The possibility of alternative initiatives in Timor Leste is currently under review.

3.1.6. Guidelines Initiative

Initial consultations with AFRM on initiatives under the RETA highlighted how business process requirements can contribute to slow implementation in situations of low security and weak government capacity. This experience and concern was echoed in similar consultations with PNRM, NRM and PLCO with particular concern expressed on issues of procurement. Considerable guidance already exists in current ADB policies and approaches in respect of business processes in situations of disaster, post conflict and fragility however this information is not currently widely disseminated or understood by ADB staff. An initiative was therefore proposed to bring the relevant information into a handbook or set of guidelines for operations in fragile and conflict affected situations.

A review of relevant documentation was undertaken including ADB policies and approaches in respect of disaster, conflict and fragility, the operation manuals of the WB, AfDB and ADB and documents related to the ADB Streamlined Business Processes Initiative. Given the particular concerns on procurement COSO was consulted and a staff member of COSO has been assigned to support the development of the guidelines. As a starting point for the development of the guidelines a matrix has been developed summarizing analytical tools, approaches, financial instruments, partnerships and business processes that can be applied in a range of fragile situations (Appendix 5). This matrix will provide the basis for the draft guidelines which will be completed in the next reporting period.

3.1.7. Additional initiatives

In addition to the initiatives currently under implementation a number of further requests/suggestions remain under consideration.

Solomon Islands support a sector-wide transport approach in the Solomon Islands.

Sub-national situations of fragility: support to programming in Mindanao

Support to Timor Leste CPS development

3.2. Output 2. ADB's field presence augmented in selected small, fragile and conflict affected countries (through country initiatives)

3.2.1. Vanuatu Development Coordinator

Following a 10 year period of limited engagement in Vanuatu ADB is currently expanding its activities. Two project interventions are currently in preparation i.e. the Inter-island Shipping Project scheduled for approval in 2010 and the Port Villa Urban Development Project scheduled for approval in 2011. In addition the ADB has established a significant TA program in Vanuatu covering private sector development and access to financial services. The appointment of a national ADB Development Coordinator under this RETA will mean that this assistance is effectively managed, donor coordination is strengthened and the government quickly gains familiarity with ADB processes and procedures. It is expected that the selected candidate for this position, Ms Nancy Wells will be in place by May 2010. Her CV is provided in Appendix 6.

3.2.2. Nepal Peace-building Adviser

Despite the restoration of peace, the peace process in Nepal has been protracted and disruptive. The drafting of a new constitution has yet to be finalised and local level democratic institutions are not yet established. However ADB has a strong CPS and investment program reflecting the country's needs and currently 8 projects are under preparation. The appointment of a Peace-building Adviser in NRM under this RETA will ensure that the project designs will minimise conflict risk and enhance peace-building, the assistance will also provide crucial staff development support in this field as well as improved donor coordination on conflict sensitive approaches. A national expert on conflict and peace-building Ms Sharada Jnawali joined NRM on 29th March 2010 her CV is provided in Appendix 7.

3.3. Output 3. In-house network and resource centre established

3.3.1. Resource Centre and Website

The ADB Fragile Situations website is now complete and following review by the Steering Committee in the next reporting period the site will be officially launched. The test site is located at <http://adbweb/fragile-situations>. The resource center that forms a key part of the website has been populated with 292 documents on fragile and conflict affected situations from both ADB and external sources. The database is searchable and can also be browsed by country, subject, source, resource type, and date (Appendix 8). To keep the website current and in order to develop a maintenance protocol the Knowledge Specialist is continuously updating the website with additional resources, news items, events, publications, and other content. To prepare for the launch of the website, a vertical banner has been designed for printing and display at public spaces in ADB (Appendix 9).

3.3.2 C-Cube and in-house Network

In consultation with the FSST, a draft briefing sheet on the proposed Fragile Situations Network was developed (Appendix 10). The FSST identified potential members within ADB to whom the briefing sheet was circulated with an invitation to express interest in

joining the network in conjunction with an online survey to gauge interest and expectations.

The survey consisted of 10 questions about topics of interest, relevant activities and services the network should provide, level of interest, and hindrances to participation. Of 94 ADB staff invited, 29 expressed interest in participating, and 23 answered the survey. 80% of respondents were somewhat interested or very interested in participating. According to the survey respondents felt the following topics were important or very important:

- Responding to the challenges of governance
- A better understanding of fragility in ADB DMCs
- Doing things differently in fragile situations
- Improving funding modalities and instruments
- Streamlined business processes for fragile situations

Survey respondents also ranked the following features as useful to the network:

- Discussions about relevant topics and issues
- Problem solving-support through experiences and lessons
- Feedback and comments on work-in-progress

With regards to potential activities, they are most interested in participating in a workshop or conference. They are also interested in contributing to the development of tools and guidelines, followed by taking part in online discussions. However, 90% of respondents said that their biggest obstacle to participation is lack of time. The list of potential network members list is in Appendix 11.

The Network's draft collaboration website has been constructed and populated with content. It now consists of a Network library, news items sent in by potential interested ADB staff, a calendar of in-house events and relevant staff mission dates, initiatives in fragile situations and available resources, and workshop files. It is available at <http://fragilesituations.adb.org> (Username: Guest; password: fsguest).

3.4. Output 4. Final publication with ADB's engagement experiences delivered

Following discussions within the FSST it was agreed to develop a publication covering impact stories and/or case studies on ADB's engagement in fragile situations. In addition to contributing to output 4 this document will also supplement a more formal report being prepared for the ADF X mid term review at the end of this year. Assistance was requested from the Department for External Relations (DER) who have kindly agreed to fully support this activity. So far 3 meetings have been held between the FSST and DER to level off on objectives of the document, select key countries and identify the main content of proposed stories.

4. Additional Activities

Improving ADB Engagement in Fragile Situations. The RETA supported the preparation of a draft paper summarizing issues of fragility in the Asia Pacific region, reviewing the lessons learned on engagement and identifying the key strategies for the

way forward. The document also proposes possible funding mechanisms to support the strategies outlined in the document (Appendix 12).

Post Crisis Needs Assessment Pakistan. Following military operations in parts of North West Frontier Province (NWFP) and Federally Administered Tribal Areas (FATA) in 2009 there was an internal migration of colossal proportions from the embattled areas. A comprehensive framework to turn the tide of the worsening conflict and build peace was needed and the government formally requested ADB and WB to take the lead in undertaking a Post Crisis Needs Assessment (PCNA) for NWFP and FATA with the purpose of delivering a medium-term peace-building strategy for this region. The RETA supported the preparation of the PCNA by commenting on draft strategies, frameworks and TORs as well as providing assistance in identifying suitable consultants for the main strategy development work.

Analysis of CPA Data. The definition of a fragile situation in ADB is directly linked to a running review of CPA scores. In order to gain insights into the factors affecting the fragility status of ADB DMCs a small study is currently underway reviewing the CPA data and particularly the indicator scores for countries entering, leaving or maintaining fragile status. Data for key countries has been extracted and tabulated and initial analysis completed. Further analysis is currently underway.

Update of Matrix on ADB Engagement. In the last reporting period a summary matrix was prepared overall ADB engagement in fragile situations from 2007 particularly in respect to the commitments and aims of the Approach paper and the ADF X Donors Report 2008. This matrix was improved and updated during the current reporting period (Appendix 13).

Preparation of briefing documents – A briefing document was prepared on the ADB's Engagement in Fragile Situations including progress with the current TA work for the President's use during the AGM in Tashkent.

Security Training. The Senior Coordinator (Fragile Situations) and the RETA Coordinator attended an in-house introductory course on Security. The half-day course covered the Security System of the UN Department of Safety and Security, overview of security issues in ADB operations and some guidance on security in the field. A further in depth training is planned.

5. Summary of Disbursement

The following table summarises disbursements in the first 3 months of RETA implementation. In this reporting period disbursements are confined to payments to HQ consultants no disbursements for country initiatives were made.

Component	Budget	Disbursed	Undisbursed	Plan
Consultants	641,000	56,941	584,059	584,059
Training	12,000	0	12,000	12,000
Misc. Administration	12,000	0	12,000	12,000
Contingency	85,000	0	85,000	85,000

6. Conclusions and Issues for Future Implementation

6.1 Conclusions

The initial strong start in implementing the RETA has been consolidated in this reporting period with four firm initiatives either underway or about to start. The initiatives in Nepal and Vanuatu provide particularly strong support for achievement of output 2. The proposal to develop a set of guidelines for operations in fragile and conflict affected situations has been well supported by regional departments and the formal engagement of COSO in this initiative will add considerably to the ultimate effectiveness and acceptance of this document. The Governance and Political Economy Study is ready to start up in June and will strengthen ADB's understanding of the policy making context in PNG and serve as a model for future GPE studies in support of understanding the context in fragile DMCs.

The cancellation of the initiative in support of the ELPP was a significant disappointment not only because this was an important aspect of conflict sensitive work under the RETA but also because it could have provided a valuable model for future ADB consultation and participation work in post conflict situations and would have been an opportunity to collaborate with the WB 'Justice for the Poor' program on conflict sensitive community consultations in Timor Leste. The loss of the ELPP initiative together with the suspension of the PNG civil society engagement initiative means that there currently is no initiative covering civil society – government engagement, a key aspect of fragility in the Pacific region.

Broader work on conflict sensitive programming has continued through dialogue with the WB and with the appointment of the peace-building adviser in NRM this work will continue to grow in the coming months. Collaboration with SLRM on conflict sensitive programming is growing and further work on developing guidance for conflict sensitive programming is anticipated. The ongoing ADB initiatives on post-conflict programming in countries affected by regional (within state) conflict, such as Sri Lanka and Pakistan, as well as discussions with regional departments where similar problems are impacting on program development and implementation, demonstrate that support for operating in fragile situations is not limited to countries with low CPA scores. Many of the initiatives and models considered under this RETA will also be applicable in such fragile situations.

Work on Knowledge Management has progressed rapidly in this reporting period with the Website and resource centre ready for use and the structures and content prepared for internal network collaboration on engagement in fragile situations. The staff survey and other feedback indicate there is a strong interest amongst ADB staff for a network as well as a desire to contribute to a body of knowledge on this topic. Some prospective network members have already provided input to both the website and network site. Ongoing maintenance of both sites has also provided a better understanding of the anticipated resource needs in keeping these sites up to date, it is important that both the network and website are launched as soon as possible. ADB engagement with external international networks such as INCAF and IDPS has remained very limited and as a result the bank has missed opportunities to contribute to donor policy dialogues affecting the Asia and Pacific region.

6.2. Issues for Future Implementation

The Steering Committee is urged to endorse the current initiatives and offer further support and advice on RETA implementation.

The Steering Committee is also urged to endorse the website, in-house network and its activities.

If funding permits consideration should be given for an additional initiative on government - citizen engagement in the Pacific.

If funding permits consideration should be given to an initiative covering operations in a regional (within state) fragile or post conflict situation.

The RETA should continue looking for opportunities to support operations in Timor Leste possibly through engagement in the CPS development.

The RETA should work with the SLRM consultant conflict adviser on mainstreaming of conflict sensitivity and integration of conflict issues into the proposed guidelines.

Stronger ADB engagement with international networks on state-building, peace-building and fragility is necessary in order for ADB to contribute its considerable experience in operating in fragile situations in the Asia Pacific Region to donor policies.

Avenues for engagement of DMC member countries into the ADB dialogue on engagement in fragile situations should be identified e.g. a DMC network, participation in the in house network etc.

6.3. Proposed RETA Work Plan 2010-2011

The following table indicates the main activities and milestones together with estimations of consultant inputs required.

	2010												2011			
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	1stQ	2ndQ	3rdQ	4thQ
General Coordination Activities																
- Monitoring/troubleshooting	x	x	x	x	x	x	x	x	x	X	x	x	x	x	x	x
- Reporting			xx			xx			xx			xx	xx	xx	xx	
- Final Report																xxxx
Vanuatu																
- Reporting/Monitoring						x			x			x	x			
- Backstopping								xx								
- Final Report														xx		
Nepal																
- Reporting/Monitoring					x	x	x	x	x		x	x	x			
- Backstopping				xx						Xx						
- Final Report														x	x	
- Brown Bag														x		
PNG Study																
- TOR	x															
- Recruitment	x	x	x	x												
- Study					xx	xxxx			xxxx							
- Report										Xx						
- Brown Bag											x					
Timor Leste Ermera Project																
- TOR	x															
- Recruitment	xx	xx														
- Final Report																
- Brown Bag																
Guidelines for Operations in Fragile Situations																
- Consultations	x	xx	xx													
- Research			xx	xx												
- Draft Guidelines					xxx	x	x									
- Brown Bag										X						
Learning on Peace- building																
Activities not yet defined	x		x		x		x		x		xx	xx				

	2010												2011			
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	1stQ	2ndQ	3rdQ	4thQ
Resource Centre and Website																
- Web Maintenance	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx	xx
- Multimedia development			x			x			x			x	x	x	x	x
- Resource Center																
- Taxonomy		x			x			x			x		x	x	x	x
- Website improvement	x			x			x			x			x	x	x	x
- Outreach materials	xx						xx						xx		xx	
C-Cube and Network																
- Set up		xxxxx														
- Events/preparation			xxx										xxx			
- Online discussions				x	x	x	x	x	x	x	x	x	xxx	xxx	xxx	xxx
- Web maintenance				x	x	x	x	x	x	x	x	x	xx	xx	xx	xx
- Brown bags etc.	1	1	1	x	x	x	x	x	x	x	x	x	x	x	x	x
Preparation of final publication																
- Identification of existing lessons																
- Case study development						xxxxx	x									
- Country initiative lessons													x	xx		
- Publication															xx	xxxx
- Pacific Knowledge Seminar																x

APPENDIX 1
RETA 7269 SUPPORTING ADB'S ENGAGEMENT IN FRAGILE SITUATIONS
DESIGN AND MONITORING FRAMEWORK

Design Summary	Performance Targets and Indicators	Data Sources and Reporting Mechanisms	Assumptions and Risks
<p>Impact Differentiated operational approaches to situations of fragility or post-conflict integrated into the ADB mainstream</p>	<p>Improved indicators of portfolio performance and CPA ratings in ADB's WPCs</p> <p>Number and quality of CPSs that explicitly address issues of fragility or conflict</p>	<p>ADB's annual CPA exercise and post-conflict performance assessment</p> <p>CPS documents, CPS completion reports, and CAPE</p>	<p>Assumption Global efforts toward alignment, harmonization, and capacity to manage for results contributing to aid effectiveness in fragile countries</p> <p>Risks High level of political risks and uncertainties inherent in situations of fragility or conflict</p> <p>High volatility of aid in beneficiary DMCs</p>
<p>Outcome Strengthened in-house capacity to apply elements of ADB's approach to engaging with countries in fragile situations</p>	<p>Effective influence of country initiatives on ADB's modes of engagement</p> <p>New and innovative engagement modes piloted in selected CPSs</p>	<p>Evaluations and reports on the implementation of ADB's approach to engaging with weakly performing countries</p> <p>CPS documents</p> <p>KPS produced and feedback received</p>	<p>Assumption Conditions in DMCs permitting demand for and involvement of counterpart in regional TA initiatives</p> <p>Risks Low awareness and information among ADB staff regarding financing and policies and procedures of engagement</p> <p>Lack of incentives and resources provided within ADB to implement ADB's approach</p>
<p>Outputs</p> <p>5. Elements of ADB's approach piloted in operations (through country initiatives)</p> <p>6. ADB's field presence augmented in</p>	<p>Number and quality of country initiatives submitted (4–6 expected)</p> <p>Level and quality of support provided to resident missions and</p>	<p>Consultants' reports</p> <p>Periodic TA progress reports and BTORs of ADB staff</p>	<p>Assumptions Effective engagement by governments and other partners in the preparation and implementation of proposals</p> <p>Availability of resources</p>

Design Summary	Performance Targets and Indicators	Data Sources and Reporting Mechanisms	Assumptions and Risks
<p>selected small, fragile, and conflict-affected countries (through country initiatives)</p> <p>7. In-house network and resource center established</p> <p>8. Final publication with ADB's engagement experiences delivered</p>	<p>liaison offices through country initiatives</p> <p>Network membership and Web activity</p> <p>Number and quality of guidance documents, tools, and knowledge products disseminated</p>		<p>to the focal point mechanism to support regional TA implementation</p> <p>Risks Commonly high staff turnover among both DMC agencies and development partners</p> <p>Poorly identified proposals or proposals that do not meet the established criteria</p>
<p>Activities with Milestones</p> <p><i>Activities with detailed work plans will be specified under each country initiative. Generic activities are as follows:</i></p> <p>1. Country Initiatives</p> <p>1.1 Hire TA coordinator</p> <p>1.2 Identify proposed country initiatives for the countries, regional missions, and regional departments according to general criteria and terms of reference</p> <p>1.3 Review and finalize proposed initiatives</p> <p>1.4 Mobilize services and resources of regional departments and regional missions including national and international experts to be hired</p> <p>1.5 Implement initiatives of regional missions and regional departments and submit periodic reports</p> <p>1.6 Prepare final report for each supported initiative and disseminate findings through the in-house network</p> <p>2. Knowledge Dissemination</p> <p>2.1 Hire knowledge management consultant</p> <p>2.2 Compile documents, search for sources of information, develop databases, etc., to establish the resource center for operations in fragile and conflict-affected situations</p> <p>2.3 Design, launch, and maintain C-Cube as main tool for in-house networking and information sharing on regional TA initiatives</p> <p>2.4 Prepare and disseminate final publication on ADB's engagement experiences in fragile situations</p>			<p>Inputs</p> <p>ADB:</p> <ul style="list-style-type: none"> - International consultants, including TA coordinator (18 person-months) - National consultant / Knowledge management specialist (15 person-months) - National experts (60 person-months) - Training, seminars and conferences (\$12,000) - Miscellaneous administration and support costs (\$12,000) - Contingencies (\$85,000)

ADB = Asian Development Bank, ADF = Asian Development Fund, BTOR = back-to-office report, CAPE = country assistance program evaluation, CPA = country performance assessment, CPS = country partnership strategy, DMC = developing member country, KPS = knowledge products and services, MDG = Millennium Development Goal, TA = technical assistance, UN = United Nations, WPC = weakly performing country.

APPENDIX 2

TOR for mission of Paul Wooster Consultant Coordinator for RETA 7269³ to Nepal Resident Mission 12th to 16th April 2010.

Objectives of the Mission:

- i) To coordinate with the consultant Peace-building Advisor recruited under RETA 7269 Supporting ADB's Engagement in Fragile Situations, to ensure there is an overall consistency, and common understanding on the peace filter/conflict sensitive approach and the tasks and objectives of her assignment.
- ii) To provide technical support to the consultant Peace-building Advisor on the application of the peace filter for ADB operations.

Timing: 12th to 16th April (5 days)

Main Tasks to be carried out with the consultant:

- i) Together with the Country Specialist review the objectives and tasks and prepare a work-plan for the week.
- ii) Review the NRM conflict sensitive approach and peace filter documents and clarify questions arising and issues for further development of the filter during the consultancy.
- iii) Based on the peace filter framework, develop a process for reviewing the conflict sensitivity of the Rural Reconstruction and Rehabilitation Sector Development Program. Carry out some preliminary assessment work and summarise main findings.
- iv) Based on an understanding of the proposed Subprogram 2 of the Governance Support Program apply the peace filter to identify issues of conflict sensitivity/peace building opportunities and propose key tasks for a conflict sensitive analysis. Carry out some preliminary assessment work and summarise main findings.
- v) Meet with development agencies (Donors, INGOs) in Kathmandu to gain insights into their approaches to conflict sensitive programming (particularly WB and DFID).
- vi) Based on experiences of the above tasks propose any adjustments or additions to the consultants long term work plan.
- vii) Hold a meeting for staff to review the main aspects of the mission and discuss the consultant's overall assignment.

³ Supporting ADB's Engagement in Fragile Situations

APPENDIX 3

Governance and Institutional/Political Economy Study to Support of a Growth Diagnostic in PNG: an initiative under RETA 7269

Introduction

Under the RETA 6397 ‘Strengthening Country Diagnosis and Analysis of Binding Development Constraints in Selected Developing Member Countries’, a growth diagnostic study is proposed for PNG in order to enhance the development impact of national development plans and poverty reduction strategies.

The Study will aim to identify what may be the most critical constraints that Papua New Guinea is facing in growing at the rates that are more in line with its potential, and the constraints that it faces to making the growth more equitable. To answer these, the Study will attempt to investigate and answer:

- Has the development performance been optimum? If not, is it due to low growth, or is it because the growth has not been inclusive enough?
- If the growth has been less than optimum, what are the factors constraining growth?
- If the growth has not been inclusive, what are constraints to the inclusiveness of growth?

In addition to identifying the constraints and prioritizing these, the Study will also identify policy options to address these constraints.

It is recognized that that governance related institutional arrangements and their underlying political-economy drivers are inherently linked to the binding constraints identified by the Study and understanding such factors could have significant impact on the value and effectiveness of proposed policy options and advice. Awareness of errors of commission (such as corruption and rent-seeking) and errors of omission (weak institutional capacity) is critical for arriving at appropriate and feasible policy interventions in support of the growth agenda.

In order to enhance the outcomes of the proposed diagnostic study and support the development of practical and effective policy advice it is proposed to integrate Governance and Political Economy Analysis (GPEA) into the PNG Study. This analysis would be funded under the RETA 7269 Supporting ADB’s Engagement in Fragile Situations. It is suggested that the GPEA would be carried out according to the World Bank Problem-Driven Governance and Political Economy Good Practice Framework⁴ using identified priority binding constraints as the starting point, however other approaches can be considered.

⁴ World Bank 2009.

Objectives of the GPEA

For priority binding constraints identified in the initial diagnostic

1. Review institutional and governance arrangements and capacities
2. Analyse the PE drivers and how they shape current stakeholder positions and actions
3. Support the diagnostics team to come up with the most feasible policy recommendations in respect of binding constraints.

Inputs

A team of two experts is proposed one international governance expert and one local governance/political economy expert for a period of 7 weeks.

TOR International Governance Expert and Study Team Leader

Scope of Work.

The consultant, working under the supervision of the PNG Country Economist will lead a study on the governance, political economy and institutional issues underpinning the critical constraints to growth and the inclusiveness of growth in PNG. The study will be based on, and directly contribute to, the ongoing country diagnostic study and support the development of feasible policy recommendations in respect of identified constraints.

Main Tasks

- i) Together with key RM staff and diagnostic study team members in PNG review the initial findings on binding constraints and potential policy options and identify the focus research areas and questions for the GPE study. Prepare a work-plan for the study.
- ii) In respect of the agreed focus research areas and with the support of the local governance expert carry out institutional studies including: mapping of relevant agencies, their processes, interactions and capacities; relevant policies, laws and regulations, formal and informal institutional arrangements as well as accountability and anti-corruption mechanisms.
- iii) In respect of the agreed focus research areas carry out a stakeholder analysis through interviews and focus groups with relevant actors and knowledgeable local informants including RM staff and analyse the impact of issues such as rents, legacies, social trends and forces, previous reforms etc. on stakeholder positions.
- iv) Prepare a summary report of the findings of the GPE study including the implications for relevant policy options and development strategies.
- v) Present the initial findings of the study to RM staff and diagnostic study team members and identify with them important factors that need to be taken into consideration to improve the feasibility of policy recommendations for the main diagnostic study.

vi) Based on the findings of the GPE study prepare a chapter for the main diagnostic study including an overview of GPE issues in relation to inclusive growth and more specific discussion of the GPE underpinnings of the critical constraints.

TOR Governance Expert (PNG National)

Scope of Work

The consultant, working under the supervision of the study team leader, will support a study on the governance, political economy and institutional issues underpinning the critical constraints to growth and the inclusiveness of growth in PNG. The local consultant will particularly bring to the study a local understanding of institutional and political economy issues and be responsible for preparing a summary report of findings.

Main Tasks

i) Participate in the review of initial findings on binding constraints and potential policy options with RM staff and diagnostic study team members and support preparation of the study work-plan

ii) Identify and review as necessary relevant secondary data to support the institutional study particularly previous diagnostic work, policies and legislation, departmental operational manuals etc. Support the implementation of the institutional study and in particular contribute local understanding of formal and informal institutional arrangements and relationships to the analysis.

iii) Identify key stakeholders in respect of the agreed focus research areas and support the study team leader in the execution of interviews and focus groups. Support the analysis of political economy issues and in particular contribute local understanding of the impact of issues such as rents, legacies, social trends and forces, previous reforms etc. on stakeholder positions.

iv) Assist the study team leader in the preparation of the GPE summary report and preparation of a presentation on the main findings.

v) Participate in, and contribute to, the presentation and discussion of the main findings with to RM staff and diagnostic study team members. Summarise the output of discussions on factors that need to be taken into consideration to improve the feasibility of policy recommendations for the main diagnostic study.

vi) Prepare a final version of the summary report of the findings of the GPE study and support the study team leader to prepare the chapter for the main diagnostic study including an overview of GPE issues in relation to inclusive growth and more specific discussion of the GPE underpinnings of the critical constraints.

vii) Based on discussions and/or a short wrap up workshop with relevant participants Prepare a summary of the main lessons learned in undertaking this study that would be of value to further GPE work in PNG and to the application of this type of study in other fragile situations.

Outputs

A final report detailing the findings of the GPEA for priority binding constraints
A chapter summarising the findings of the GPEA for the main Diagnostic Study report
Policy options based on the GPEA findings.

Timing

It is proposed that the GPEA should be based on initial findings of the diagnostic Study and therefore would commence after initial diagnostic work probably in April/May 2010 and take 6 weeks.

Preliminary Cost Estimates (US\$)

International Consultant	Total Cost
Remuneration International (40 days)	30600
Per Diem International (up to 46 days)	16600
International Travel	6200
Local Travel	3600
Miscellaneous admin and communications	600
Contingency	1500
Local Consultant	
Remuneration local (35 days)	8750
Local Travel	500
Contingency	1250
Total	69600

Additional Support

As well as direct inputs from the hired consultants, support in the form of facilitation can be provided by the Fragile Situations Support Team. This could include (but is not restricted to) a support visit by the TA Coordinator (RETA 7269) near to the beginning of the consultancy to support development of the study work-plan or towards the end of the consultancy to gather lessons from the study. The exact details of any additional support will be agreed between the Focal Point for Engagement in Fragile Situations and the PNG Country Economist.

APPENDIX 4

RETA 7269 Initiative on Community Consultations for Rural Development / Livelihood Enhancement and Peace Building in Timor Leste (Ermera Livelihood and Productivity Project)

Background

Timor-Leste has made significant progress since independence in 2002. It has a reasonable rate of growth, rising oil revenues and large aid flows yet it remains a fragile situation characterized by persistent poverty, internal instability and deteriorating access to services. Most of the population relies on subsistence agriculture, infrastructure is poor, and agricultural production is very low. Hardship was compounded through civil unrest in mid 2006 that led to a break down in law and order and widespread population displacement. There has since been progress in addressing issues such as petitioners (former soldiers alleging discrimination), return of displaced people, and security sector reform. However, society, especially in the rural areas, is strongly segmented according to ethnic roots, clan ties and colonial ties and when overlaid with the struggle for independence and resettlement, traditional and elected power bases and political affiliations, the potential for conflict remains significant.

Following a request by the Government of Timor-Leste, ADB is exploring the options to rehabilitate the water containing structures of the Eraluo Lake located in Ermera District, about 30 km away from the capital city of Dili. The Lake used to be a natural lake, and in early 1990's two low dams were constructed to contain water for leisure and irrigation purposes. Currently, the lake is silted, the structures are broken, and a leakage and an overflow from one of the dams created a serious soil erosion problem near the lake. Communities around the lake would like the dams are rehabilitated so that the lake can contain water all around year for fish ponds, horticulture and eco-tourism, thus diversifying livelihoods and income generating opportunities. Currently, most households are engaging in subsistence farming and coffee which needs productivity improvement to address food security issues and low yields.

Ermera district hosted several camps for internally displaced people from the 2006 conflict when 37 people were killed, around 3,000 houses were destroyed and over 2,000 severely damaged, and an estimated 150,000 people were displaced. The causes of the crisis included political rivalries, divisions between “easterners” and “westerners”, but also chronic poverty and a large and disempowered youth population. Over 64 percent of Ermera's population is less than 25 years old. Poor access to education and health and lack of employment opportunities outside agriculture has created a large number of unemployed and underemployed youth, and there are increasing concerns that this may contribute to further violence and civil unrest. Ermera was a significant focus of violence and political activity during the problems of 2006. In Ermera the Democratic Party (PD) has stronger local support than Fretilin. A PD supporter was killed in Ermera during the 2006 violence and tension around this issue remains. In addition, there are several martial arts groups that contributed to a violent clash in 2007 when 11 people were killed and over 70 houses were burnt down. Compared to many other rural areas Ermera levels of income are more variable. Farmers in the high hills receive an average income of \$200 per year from coffee the only major export of Timor-Leste. Social identities are quite localized in Ermera and competition for benefits from government and donor programmes is very high.

Potential conflict is a major risk for any development intervention in this area, and in order to ensure that program activities not only take a do-no-harm approach but also promote peace building among community members through development activities, community participation is crucial.. Meaningful community participation in the program design, implementation and monitoring and evaluation will contribute to greater ownership of the program by the community and ensure more effective and successful program implementation. Carefully designed community consultations will provide opportunity to promote mutual understanding and consensus among different groups within community, thus contributing to stability and peace. With a perspective of an integrated rural development program in selected districts in Timor-Leste including Ermera, ADB will pilot a conflict sensitive, peace building approach in community consultation and participation for the Eraluo Lake rehabilitation. The design and implementation of such a conflict sensitive consultation process will additionally provide important lessons and methodologies, not only further interventions in Ermera, but also for future ADB projects in Timor-Leste as well as ADB programs in other fragile, post-conflict situations.

Objective of the Assistance

To strengthen the design and implementation of the proposed Ermera Livelihoods and Productivity Project through the development and testing of a pilot conflict sensitive consultation process.

Implementation Arrangements

Two consultants, an international Social Development Specialist and a local Community Development Specialist will be recruited under the RETA-7269 Supporting ADB's Engagement in Fragile Situations to undertake the consultations. Additional technical backstopping will be provided by the Coordinator of the RETA. The terms of reference of the two experts are outlined below. Implementation will take place for 6 weeks from January 2010.

NB. A pre-feasibility assessment will be conducted by a water resource management specialist and an environment specialist to assess the dam failure factors and determine approaches that would ensure technical soundness and environmental sustainability in the rehabilitation of the Lake Eraluo. The community consultation team would also work closely with the pre-feasibility team in facilitating community engagement and feedback and ensure that the work of pre-feasibility team is well informed with inputs from different stakeholders and interests and well communicated to the community. The pre-feasibility assessment will inform more in-depth assessments that will be conducted under a Project Preparation Technical Assistance. The community consultation work will contribute to the project preparation process as well as project design by identifying conflict factors and appropriate consultation approaches and methods.

Consultant Terms of Reference

1. Social Development Specialist.

This consultant working under the supervision of the Team Leader of the Ermera Livelihood and Productivity Project will lead the development and implementation of the community consultation process ensuring that all relevant stakeholders are communicated with in a clear, fair and non-committal manner that promotes effective conflict prevention and peace building. The Social Development Specialist will:

i) Undertake desk research on socio-economic and conflict situation in the area surrounding Euralo lake based on donor reports, conflict assessments, and consultation with key informants with recent operational experience in the area (UN, government and non-government). Identify key gaps in knowledge on conflict mapping of Euralo lake area.

ii) Based on identified conflict mapping needs together with the Ministry of Social Solidarity (especially dialogue teams) identify key stakeholders and design a conflict assessment activity necessary to complete conflict mapping in the Euralo lake area. Supervise the planning and implementation of the required conflict mapping work in the Euralo lake area and provide technical backstopping support.

iii) Together with Water Resource Management Specialist (working under a separate mission) identify the consultation needs in respect of the pre-feasibility assessment of opportunities and risks involved in the Euralo Lake rehabilitation

iv) Using information gathered from the desk research, conflict mapping and water resource consultation needs develop a conflict sensitive plan and methodology for community consultations that will identify priority needs and provide feedback on potential areas of interventions under the proposed project including the validity and appropriateness of the Euralo Lake rehabilitation and approaches for enhancement of livelihoods

v) Supervise the implementation of community consultations (with support from dialogue teams if feasible) that encompass key stakeholder groups including minority groups (women, youth, returned IDPs, elder, landless farmers, etc.), local formal and informal leaders, local businesses, community based groups etc.

vi) Based on the above tasks prepare a report including:

- a socio-economic brief of the communities around the Earulo Lake,
- a summary of conflict mapping and assessment of conflict issues in relevant communities
- proposed design and process for conflict sensitive community consultations;
- findings from community consultations including community concerns, acceptance and conditions for proposed rehabilitation work and process as input to water resource management specialist and environment specialist,
- lessons learned and recommended activities and approaches to be integrated into the future project for peace promoting rural development.

A draft report should be submitted within 15 days after completion of the field work. Final report to be submitted within 5 days after the draft report is accepted by ADB.

Experience: at least 10 years (for international) of relevant experience in applying community development, rapid rural appraisal, gender analysis, conflict mapping, and various participatory approaches. Experience in Timor-Leste required.

2. A Community Development Specialist

This consultant working under the supervision of the Social Development Specialist will support the development and implementation of the community consultation process in particular ensuring that the process addresses local conflict sensitivities and social

norms, identifying and liaising with relevant informants and leading field consultation work. The Community Development Specialist will:

i) Support the Social Development Specialist to undertake the desk research including identification of relevant documents, identification of key informants, interviewing key informants and reviewing and summarizing key documents particularly information in Tetum language,

ii) Assist the Social Development Specialist in liaison with MSS on conflict mapping and lead the fieldwork on conflict assessment/conflict mapping including the provision of technical and logistical support.

iii) Support the water resource management specialist (working under a separate mission) to identify key stakeholders in respect of the Eraulo Lake rehabilitation. Together with the Social Development Specialist and Water Resource Management Specialist identify the consultation needs in respect of the pre-feasibility assessment of the Eraulo Lake rehabilitation.

iv) Support the Social Development Specialist in the development of a conflict sensitive plan for community consultations that will identify priority needs and provide feedback on potential areas of interventions under the proposed project. In particular undertake a stakeholder analysis and ensure the cultural appropriateness and logistical feasibility of the consultation plan.

v) Conduct community consultations (with support from dialogue teams if feasible) that encompass key stakeholder groups including minority groups (women, youth, returned IDPs, elder, landless farmers, etc.), local formal and informal leaders, local businesses, community based groups etc.

vi) Contribute to the reporting process as proposed by the Social Development Specialist including

- a socio-economic brief of the communities around the Earulo Lake,
- a summary conflict mapping and assessment of conflict issues in relevant communities
- proposed design and process for conflict sensitive community consultations;
- findings from community consultations including community concerns, acceptance and conditions for proposed rehabilitation work and process as input to water resource management specialist and environment specialist,
- lessons learned and recommended activities and approaches to be integrated into the future project for peace promoting rural development.

Experience: at least 5 years (for international) of relevant experience in applying community development, rapid rural appraisal, gender analysis, conflict mapping, and various participatory approaches. Proficiency in Tetum language required.

Additional Support

As well as direct inputs from the hired consultants, support in the form of technical backstopping will be provided by the Fragile Situations Support Team. This could include (but is not restricted to) a support visit by the TA Coordinator (RETA 7269) towards the

end of the assistance to facilitate lessons learned, the provision of ongoing distant support to the consultants on the development and implementation of the consultation and monitoring of the impact of the consultancy. The exact details of the additional support will be agreed between the Focal Point for Engagement in Fragile Situations and the Project Team Leader.

Preliminary Cost Estimates (US\$)

International Consultant	Total Cost
Remuneration International	22000
Per Diem International	8000
International Travel	3000
Local Travel	1000
Miscellaneous admin and communications	500
Contingency	3000
Sub-total	37500
Local Consultant	
Remuneration local	11000
Per diem local	1000
Local Travel	1000
Contingency	1000
Sub-total	14000
Overall total	51500

APPENDIX 5
Preliminary Matrix for Preparation of Guidelines to Operations in Fragile Situations

Country Situation key issues of Fragility	Organisational Capacities Analytical Assessment	Focus and differentiated Approach	Instruments of Assistance	Partnerships	Possible Alternate Business Processes
<p>Economic and social deterioration</p> <ul style="list-style-type: none"> - quality of governance declining - economic and social conditions deteriorating - increased risk of conflict or civil strife - disparity between government and partners on development priorities 	<ul style="list-style-type: none"> - Risk and Vulnerability Assessment - Poverty, Social and Environment Assessment - Country Partnership Strategy <p>Scenario planning</p>	<ul style="list-style-type: none"> - policy dialogue - community level conflict prevention - contribute to multi donor efforts for peace-building and governance reform - maintain institutional capital to facilitate eventual turnaround 	<ul style="list-style-type: none"> - Performance based allocations - ADF Grant allocations (as appropriate) - Multi donor trust funds - Cluster TAs 	<ul style="list-style-type: none"> - Strong donor cooperation in support of remedial measures and reaching consensus on development strategies. - Increased use of community driven development - Increased engagement with civil society and private sector 	<p>Project Preparation Rapid project processing not exceeding 12 weeks for critical assistance. Special abbreviated Board submission within 1 week of RRP for critical assistance Waiving of administration fees where donor funds are pooled e.g. sector-wide or program approaches</p> <p>Procurement Relaxation of eligibility rules for procurement of consultants where this contributes to donor harmonization</p> <p>Counterparts Where competent counterparts not available ADB may request government to outsource the counterpart requirement to non-sovereign organisations</p> <p>Supervision and Monitoring Develop and monitor key indicators on social and economic situation</p>
<p>Prolonged crisis or impasse</p> <ul style="list-style-type: none"> - ongoing civil strife or conflict - possible absence of legitimate 	<ul style="list-style-type: none"> - Risk and Vulnerability Assessment - Watching Brief in 	<ul style="list-style-type: none"> - maintain operational readiness - stay engaged 	<ul style="list-style-type: none"> - small grant based support to monitoring, analysis and dialogue 	<ul style="list-style-type: none"> - Engagement with non-government partners - Coordinate dialogue and analysis with other donors 	<p>Project Preparation Processing time frame not to exceed 12 weeks dct Special abbreviated Board submission within 1 week of RRP</p>

Country Situation key issues of Fragility	Organisational Capacities Analytical Assessment	Focus and differentiated Approach	Instruments of Assistance	Partnerships	Possible Alternate Business Processes
<p>government - prolonged economic and social crisis - breakdown of essential service provision - humanitarian crisis</p>	<p>country or part of the country where portfolio is inactive due to ongoing conflict - Country Partnership Strategy or Interim Operational Strategy</p>	<p>through reconciliation or policy dialogue - analysis of socio economic issues to identify entry points</p>	<p>- small grant based, ring fenced support to key services and local economic development</p>		<p>Shortened documentation for TA Financial and economic internal rates of return to be flexibly applied No insistence on stringent cost recovery practices Waiving of administration fees where donor funds are pooled Procurement Relaxation of requirement for international competitive bidding Use of Force Accounts for civil works where bidding is not practical Local competitive bidding with short bidding period for civil works Reduced bidding period of 7-15 days for goods and services Registration system for local contractors based on experience and technical capacity Use post qualification for unregistered contractors Use of consultants/ contractors pre-qualified or selected under ongoing loans without further bidding or qualification Direct selection, negotiation and hiring of consultants to expedite TA in emergency situations Relaxation of eligibility rules for procurement of consultants where this contributes to donor harmonization Disbursement Inclusion of quick disbursing components to finance necessary imports Disbursements allowable up to 100%</p>

Country Situation key issues of Fragility	Organisational Capacities Analytical Assessment	Focus and differentiated Approach	Instruments of Assistance	Partnerships	Possible Alternate Business Processes
					<p>of eligible project costs Imprest with increased ceilings to facilitate immediate large disbursements Enhanced cost sharing and expenditure eligibility criteria including financing for recurrent expenditure Requirement for separate account for ADB funds maybe relaxed where sound alternative arrangements are in place</p> <p>Counterparts Where competent counterparts not available ADB may request government to outsource the counterpart requirement to non-sovereign organisations</p> <p>Monitoring and Supervision Stronger supervision of emergency projects Special audit focussing on governance, financial accountability and transparency after completion of emergency projects</p>
<p>Post crisis/conflict and/or socioeconomic transition - national reconciliation and reconstruction - weak/undeveloped state capacity and accountability -damaged and</p>	<p>- Post conflict or post disaster damage and needs assessment - Interim operational strategy or Country Partnership Strategy (multi donor if</p>	<p>- Contribute to multi donor needs assessments and strategy development - Bridging relief to development and support peace-building</p>	<p>-Portfolio restructuring and reallocation of loan savings - Emergency assistance loan - Performance based allocations - ADF Grant</p>	<p>- strong donor coordination and cooperation essential - building strategic government partnerships - engagement with civil society (service provision and demand for good governance)</p>	<p>Project Preparation Processing time frame not to exceed 12 weeks Special abbreviated Board submission within 1 week of RRP Shortened documentation for TA Financial and economic internal rates of return to be flexibly applied No insistence on stringent cost recovery practices Waiving of administration fees where</p>

Country Situation key issues of Fragility	Organisational Capacities Analytical Assessment	Focus and differentiated Approach	Instruments of Assistance	Partnerships	Possible Alternate Business Processes
fragmented service delivery - weak/undeveloped political and security systems	appropriate). Scenario Planning	<ul style="list-style-type: none"> - Begin restoration and capacity building of core state institutions - Support social/economic re-integration of former combatants and/or displaced people - Support livelihood creation and development - Rehabilitation of critical infrastructure - Focus on quick and visible wins early on. 	allocations (as appropriate) - Multi donor trust funds - Cluster or long term TAs		donor funds are pooled e.g. sector-wide or program approaches Procurement Relaxation of requirement for international competitive bidding Procurement of local goods and services where possible t Use of Force Accounts for civil works where bidding is not practical Local competitive bidding with short bidding period for civil works Reduced bidding period of 7-15 days for goods and services Registration system for local contractors based on experience and technical capacity Use post qualification for unregistered contractors Use of consultants/contractors pre-qualified or selected under ongoing loans without further bidding or qualification Direct selection, negotiation and hiring of consultants to expedite TA in emergency situations Relaxation of eligibility rules for procurement of consultants where this contributes to donor harmonization Disbursement Inclusion of quick disbursing components to finance necessary imports Disbursements allowable up to 100% of eligible project costs Imprest with increased ceilings to facilitate immediate large

Country Situation key issues of Fragility	Organisational Capacities Analytical Assessment	Focus and differentiated Approach	Instruments of Assistance	Partnerships	Possible Alternate Business Processes
					<p>disbursements Enhanced cost sharing and expenditure eligibility criteria including financing for recurrent expenditure Requirement for separate account for ADB funds maybe relaxed where sound alternative arrangements are in place</p> <p>Counterparts Where competent counterparts not available ADB may request government to outsource the counterpart requirement to non-sovereign organisations</p> <p>Monitoring and Supervision Stronger supervision of emergency projects Special audit focussing on governance, financial accountability and transparency after completion of emergency projects Requirements for separate ADB reporting and auditing may be waived where alternatives are adequate</p>
<p>Gradual economic and social improvement - Reform initiated - Significant governance barriers remain. - Donor support increasing - Positive trends in social and economic indicators with some setbacks.</p>	<p>- Poverty, Social and Environment Assessment - Country Partnership Strategy</p>	<p>-Promotion of good governance linking human security and development - Boost and support ongoing reform initiatives - Build state capacity and accountability for facilitating economic</p>	<p>-Portfolio restructuring and reallocation of loan savings - Regular lending - Performance based allocations - ADF Grant allocations (as appropriate) - Multi donor trust funds - Cluster or long</p>	<p>- Harmonization and alignment with government and other donor strategies - consolidating government partnership - engagement with civil society and private sector for supporting reform and reconstruction</p>	<p>Project Preparation Waiving of administration fees where donor funds are pooled e.g. sector-wide or program approaches</p> <p>Procurement Relaxation of eligibility rules for procurement of consultants where this contributes to donor harmonization</p> <p>Counterparts Where competent counterparts not available ADB may request</p>

Country Situation key issues of Fragility	Organisational Capacities Analytical Assessment	Focus and differentiated Approach	Instruments of Assistance	Partnerships	Possible Alternate Business Processes
- increased significance of limiting market and natural resource factors where present.		growth and service delivery - Medium to long term reconstruction - additional focus on prevention and resilience measures	term TAs		government to outsource the counterpart requirement to non- sovereign organisations