

TECHNICAL ASSISTANCE COMPLETION REPORT

Division: PAUS

TA No. 6436-REG, Results-Based Project Management for Pacific Developing Member Countries			Amount Approved: \$800,000	
			Revised Amount: Not Applicable	
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<p>Description: ADB's Managing for Development Results (MfDR) Action Plan Pillar 3 is 'Support to MfDR capacity building in developing member countries (DMC)'. This regional technical assistance (RETA) supported ADB's action plan by focusing on (i) building the institutional capacity and development of demand for MfDR, (ii) strengthening data and information systems for monitoring and evaluating results, and (iii) developing processes for mutual accountability and feedback. The RETA sought to improve portfolio performance by strengthening selected DMCs organizational focus toward results management.</p> <p>Participating organizations were selected based on an analysis of demand, leadership commitment, country program relevance and government agreement. The RETA approach supported the: (i) National Airports Corporation (NAC) and Department of Works (DOW) in PNG; (ii) Electric Power Corporation (EPC) and Land Transport Authority (LTA) in Samoa; (iii) Ministry of Infrastructure – Department of Water Supply and Sanitation (DNSAS) in Timor-Leste; and (iv) Ministry of Works, Ministry of Transport (MOT), Ministry of Finance and National Planning (and all Ministries for corporate planning) in Tonga.</p> <p>Expected Impact, Outcome and Outputs. The expected impact is the attainment of development results at the sector level. The outcome was the implementation of MfDR-based project management in ADB funded projects through the delivery of two outputs for selected project executing agencies (EAs) which were: (i) a comprehensive analysis of performance issues, associated diagnosis, and plans to build capacity; and (ii) assistance in MfDR capacity development and technical assistance creating linkages to ADB projects and other capacity development interventions.</p> <p>Supporting MfDR remains very relevant to the Pacific. Public financial management and the performance of state owned enterprises will improve with a focus on results management. PARD's portfolio performance can also expect to improve over time as the DMC manages for the outcome of the project and not the process of delivery. The RETA was formulated against the background of ADB MfDR policy development and the Pacific DMCs re-commitment to MfDR in international fora. The demand driven design approach, supplemented by analysis of an organizations' readiness to adopt MfDR, enhanced the relevance of the RETA. Adjustments were made to the implementation approach to retain the RETA's relevance in light of changing political and financial arrangements in all countries. The design had two result focused outputs to allow flexibility during implementation across different country requirements and capacities. Given the multi country RETA, ADB was the appropriate executing agency as no regional organization has the depth of ADB's experience and knowledge in MfDR. The terms of reference were appropriate although adjustments were made to increase flexibility, enhance implementation arrangements and strengthen the outputs. The implementation schedule was ambitious and extensions of time were required to facilitate the ongoing leadership of the implementing agencies in the change process. It is rated as highly relevant.</p> <p>Delivery of Inputs and Conduct of Activities. <i>Economy of input provision.</i> Resource allocations were adjusted throughout the RETA to respond to the level of engagement and demand in each of the participating organizations. In Samoa, national consultants were engaged to work directly with the EPC and LTA. Additional resources for the international consultant were provided in Tonga to expand the number of participating organizations. In PNG the output expectations were scaled back in response to political upheaval and the adverse impact on the NAC to commit to changes in their corporate planning. In Timor-Leste the ongoing support was taken up within the context of another ADB project given the changes to government's organizational restructure. The RETA was highly responsive to political and organizational changes ensuring the greatest economy of resources within the changing environments across the 4 countries. <i>Conversion of inputs to outputs</i> was highly efficient. The consultants facilitated the development of results focused planning and change management plans while the organizations themselves undertook the analysis and developed these plans - all outputs were met. <i>Quality of the inputs.</i> The RETA provided technical support only, see consultant performance. <i>Reason for deviations from the original DMF.</i> The original terms of reference and design and monitoring framework (DMF) focused the support for results management on the units implementing PARD financed projects. There was a disconnect between reform within these units and the broader organization in each DMC, which limited the capacity for effective change. The RETA was adjusted through a major change in scope to extend the focus from the project unit to whole organization managed through their executive. This also improved the relevance of the RETA to the organization and</p>				

strengthened commitment. *Client satisfaction.* Review missions identified a high level of satisfaction with the RETA and the work of the consultants. PNG DOW was less than satisfied at the withdrawal of the consultants when the NAC was unable to continue with the RETA in PNG – resources did not allow the work to continue in only one ministry in the country. *ADB as the executing agency.* ADB's start-up of the RETA was slow and disjointed. The RETA was designed and approved by SPSO, was then moved to PATE and moved again to PAUS as the managing unit before any activity began. This delayed the RETA 18 months and was less than satisfactory. Once underway ADB was highly responsive, adjusting the resources, approaches and implementation arrangements to meet the needs of the client organizations. In this regard the EA was highly satisfactory. Financial utilization was 93%. As a capacity building investment it was highly efficient and effective but capacity development is an ongoing process. Counterpart in kind resources were provided. Given the final positive result the **EA is rated satisfactory**.

Consultant performance: The RETA engaged nine consultants through individual and firm agreements. Of these, three were national consultants in PNG and Samoa. The National Development Coordinators were also involved in Timor-Leste and Tonga to strengthen their knowledge and understanding of MfDR. **All consultants were ranked satisfactory.**

Evaluation of Outputs and Achievement of Outcome. The RETA outcome was delivered. 100% of participating organizations went through a process of change management, developing plans and frameworks to manage performance and adapt their organizations towards results management (target 70%) effecting project management and implementation irrespective of the source of funding. 83% of participating organizations were assisted in managing their performance in a substantive way so that the capacity building plans were being implemented and the organizations' corporate plans and management were supported (target 70%). Organizational change is an ongoing process with the RETA facilitating its beginning.

Output 1 was delivered. 100% of participating organizations undertook their own analysis of their organizations developing their own problem tree, results focused objectives tree and alternatives analysis. 100% of the organizations developed their own results frameworks for managing their organizations' results. *Output 2 was delivered.* The RETA provided additional assistance and coaching as required to develop the necessary plans and analyses. A minimum of 30 days training was provided in each participating organization (no target). 66% of the organizations linked in to other interventions as a consequence of the RETA (target 50%). In Tonga, corporate planning was expanded to all ministries with the support of ADB TA and linked in to financial planning work of ADB and WB. In Samoa and Timor-Leste the RETA linked in to ADB projects in EPC and DNSAS. 100% of participating organizations agreed they obtained new knowledge and skill – consultants final report and review missions confirm (target 70%).

Overall Assessment and Rating. The RETA was highly relevant. While the EA performance and consultant performance are only rated satisfactory, the outcome and outputs were delivered above target in an efficient and flexible manner. The clients were satisfied with the RETA and in most cases have sought ongoing support to expand the work to other organizations. The clients report a high level of satisfaction. Sustainability of this investment will be contingent upon the on-going adoption of results management across government ministries and state owned enterprises. The RETA has developed material for ongoing support and to enable the roll out of this approach to other organizations and facilitate sustainability. The RETA is **rated highly successful**.

Major Lessons. Lessons to consider in subsequent MfDR technical assistance include: (i) aligning MfDR analysis and planning with government's existing corporate planning and budgeting cycles to maximize ownership and success; (ii) leadership by the executive is critical for overall success; (iii) workshops need to be conducted in the working language of the participants and have the same facilitator for all training and planning in the organization; (iv) building capacity in MfDR is participatory and therefore must go at the pace of the organization requiring longer TA's and flexibility in scheduling; (v) cooperatively undertaking the analysis and the development of MfDR plans may take years, therefore implementation support requires long-term commitment to facilitate sustainable change; and (vi) before making a commitment to provide support, invest time to identify organizations and their executives truly committed to MfDR and the change process.

Recommendations and Follow-Up Actions. *Recommendations.* It is recommended that: (i) ADB continue to support result management activities in the Pacific; (ii) organizations are supported two years prior to the preparation of an investment project; and (iii) the manual and workbook to help organizations and their partners undergo a process of results management planning and organization change be provided to other organizations in Pacific DMCs. *Follow-up actions.* The following follow-up actions to this RETA are recommended: (i) the national consultants trained in Samoa are engaged to provide intermittent, ongoing support to EPC; and (ii) PNG's DOW and NAC be re-engaged to finalize their change management plans and be supported in implementing those plans.

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