

TECHNICAL ASSISTANCE COMPLETION REPORT

Division: PARD/SPSO

TA No. and Name TA 3960-FIJ: SUPPORTING ECONOMIC MANAGEMENT AND DEVELOPMENT POLICIES			Amount Approved: \$250,000	
			Revised Amount: N/A	
Executing Agency: MINISTRY OF FINANCE AND NATIONAL PLANNING		Source of Funding: TASF	TA Amount Undisbursed \$31.06	TA Amount Utilized \$249,968.94
<div style="text-align: center;">Date</div> <div> <div>Approval</div> <div>31 October 2002</div> </div> <div> <div>Signing</div> <div>17 February 2003</div> </div> <div> <div>Fielding of Consultants</div> <div>2005 and Feb 2006</div> </div>			Completion Date	
			Original 31 January 2004	Actual 1 June 2006
			Closing Date	
			Original 31 January 2004	Actual 1 June 2006
Description <p>The Pacific Islands Economic Report (PIER) is a part of the Pacific Studies Series of the Pacific Department, and it has had a long history of providing both the country counterparts and other stakeholders a comprehensive review of the national economy and social conditions. In Fiji Islands, the last PIER was published in 1999. Since then, there have been significant changes in the Fiji Islands economy due to the political instability in May 2000 and the subsequent economic and social changes that followed. Additionally, the global economy has undergone major changes.</p> <p>In June 2002, the Government confirmed its willingness to undertake a thorough study of the economy with technical assistance (TA) from ADB, which would lead to the preparation of a new economic report for the country. In 2005, SPSO identified consultants to carry out the writing process and the final report was submitted at the end of 2005. The TA was extended to include a Macroeconomic Assessment and on Fiji Islands' capacity to borrowing ADB funds in light of its overall macroeconomic and debt assessment.</p> <p>Expected Impact, Outcome and Outputs</p> <p>The expected impact was to provide the stakeholder community a comprehensive review of the Fijian economy. The outcome of the TA was a published Fiji PIER book that would have the above stated impact. The planned outputs were to undertake a comprehensive review of (i) the Fiji Islands' past economic development trends, and (ii) current issues covering relevant sectoral and thematic areas to identify development constraints, opportunities and policy options. More specifically, the outputs covered reviews of all economic, social and development areas and were also designed to provide inputs for preparing country strategy and program (CSP) in 2006.</p> <p>Delivery of Inputs and Conduct of Activities</p> <p>All consultants in this TA were hired on an individual basis, due to the limited number of highly qualified consultants specialized in the South Pacific region. Three consultants were initially hired for the preparation of a Fiji PIER. These consultant inputs for the Fiji PIER include traditional prescriptions on PIER formulation and delivery of a final report. Overall, the performances of the consulting team were partially satisfactory, due to the fact that parts of the output by one of the consultants required substantial corrective action from the ADB team. The overall quality of the PIER was satisfactory after internal review.</p> <p>The TA was extended for another year and a half with the purpose of including a Macroeconomic Assessment under a new policy covering cost sharing and expenditure eligibility for ADB financing (approved in August 2005). The objective was to produce a report on "Cost Sharing and Eligibility of Expenditure for ADB Financing" under the Macroeconomic Assessment, and support additional programming function for the Fiji CSP process. An additional individual consultant was recruited for this purpose. The consultant was effective in delivering the report on time. The consultant took mission trip to Fiji and had liaised with the government counterparts and formulated the report from home office.</p> <p>The performance of the EA and ADB was satisfactory.</p> <p>Evaluation of Outputs and Achievement of Outcome</p> <p>The main output from the TA was the PIER for Fiji islands and the accompanying sugar sector analysis. The first report was too lengthy and was deemed difficult to read by an internal peer reviewer at PARD. Other steps were taken</p>				

to revise the report and the subsequent submission had an improved quality. The overall analysis of the Fijian economy, after ADB's team internal review, is comprehensive and solid, with detailed analyses on various sectors and the future outlook of the declining sugar and garment sectors. The final report is currently used, in combination with other Pacific Department assessment, to finalize a more comprehensive Fiji PIER.

The output of the Macroeconomic Assessment on Fiji's cost sharing ability is closely linked to the overall debt level and debt service capacity, which has been covered relatively thoroughly in a report on Fiji's Debt Assessment. The output has been circulated to the government counterparts and development partners. The overall technical analysis produced is deemed sound.

Overall Assessment and Rating

Overall, the project is rated as partly successful. The TA objectives and scope are relevant and appropriate to deliver the two deliverables of "draft Fiji PIER" and "Fiji Islands Macroeconomic Assessment." More specifically, the Fiji PIER is of relatively good quality (after receiving substantial inputs by ADB team) and it covers a comprehensive review of the Fijian economy, including the sectoral analysis in sugar. The quality of the Macroeconomic Assessment is satisfactory.

Major Lessons

The timing of the publication is essential. Because the first version was described as "difficult to read," various revisions followed while other policy agendas began to emerge along the way. Consequently, constant updating of the content became necessary.

The consultants recruited need to have an excellent understanding of the objectives and outputs to be delivered. Sensitivity to cultural diversity is also a requirement on drafting such important documents.

Recommendations and Follow-Up Actions

The PIER process for this new version is currently being completed and a combination of the reports has been compiled into a more comprehensive final Fiji PIER, funded through another regional TA. Steps will be taken to ensure the quality and the proper publication of this report. Furthermore, PIER is a continuous process and it spreads to most PDMC countries and lessons learned could probably be better transmitted to other desk officers for similar assignment.

It is proposed that the outputs of this TA, once in condition to be published, be disclosed in accordance with ADB's Public Communications Policy.

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