

## TECHNICAL ASSISTANCE COMPLETION REPORT

Division: Bangladesh Resident Mission

<b>TA No., Country and Name</b> TA 4303-BAN: Strengthening Capacities for Poverty Monitoring and Evaluation			<b>Amount Approved:</b> \$350,000	
			<b>Revised Amount:</b> \$350,000	
<b>Executing Agency:</b> General Economics Division (GED) of the Planning Commission, Ministry of Finance and Planning		<b>Source of Funding:</b> Poverty Reduction Cooperation Fund	<b>Amount Undisbursed:</b> \$82, 113.19	<b>Amount Utilized:</b> \$267,886.81
<b>TA Approval Date:</b>  19 December 2003	<b>TA Signing Date:</b>  20 April 2004	<b>Fielding of First Consultants:</b>  1 August 2004—first 8 March 2005—last	<b>TA Completion Date</b> <b>Original:</b> 31 March 2006 <b>Actual:</b> 31 March 2006	
			<b>Account Closing Date</b> <b>Original:</b> 31 March 2006 <b>Actual:</b> 30 November 2006	
<b>Description</b> The Government of Bangladesh is committed to reducing the massive poverty in the country at the shortest possible time. It is also committed to the achievement of the millennium development goals (MDGs). The Government signed in April 2000, the partnership agreement on poverty reduction (PAPR) with the Asian Development Bank (ADB) and subsequently prepared the national strategy for economic growth, poverty reduction and social development (interim PRSP) in March 2003. The process of preparing a full-fledged poverty reduction strategy paper (PRSP) was initiated in 2003 with the aim of completing the strategy through a participatory consultation process by end-2004. A high powered national steering committee was formed to steer the process and a National Poverty Focal Point (NPFP) was set up within the General Economics Division (GED) of the Planning Commission to act as the secretariat of the strategy formulation process. Coinciding with these initiatives, ADB provided a TA to assist the Government strengthen institutional capacity for poverty monitoring and evaluation (M&E). Another objective of the TA was to operationalize NPFP and support capacity building at NPFP for effective implementation of the country's national poverty reduction strategy (PRS). The TA was designed to promote the achievement of ADB's priority of accelerated poverty reduction in its developing member countries.  The TA had five interrelated components: (i) Component A – develop an institutional and coordination framework; (ii) Component B – develop an interim participatory poverty monitoring mechanism; (iii) Component C – human resources capacity building of national poverty focal point; (iv) Component D – develop and implement participatory consultation processes and (v) Component E – encourage civic initiatives for monitoring poverty.				
<b>Expected Impact, Outcome and Outputs</b> Impact: Enhanced effectiveness of government poverty reduction measures.  Outcome: Strengthened institutional capacity for M&E of national poverty reduction programs.  Output: Institutional and coordination framework for poverty monitoring established; Interim participatory poverty monitoring mechanism (IPPM) developed and implemented; Interim human resource development plan for NPFP formulated and implemented; participatory consultation process developed and implemented to deliver IPPM; and Suitable mechanism for civil-society engagement in poverty monitoring developed and implemented.				
<b>Delivery of Inputs and Conduct of Activities</b> The TA was appropriately designed, with a mixture of specialist support and capacity-building instruments to help install in the Government effective M&E mechanisms. The terms of reference (TORs) for consultants were consistent with the TA scope. The TA was implemented in two phases, with 18 person-months of domestic consultancy during the first-phase and 5 person-months of international consultancy and 20 person-months of domestic consultancy in the second-phase, all consultants having been recruited individually. Scope of the TA was changed at the EA's request to split the original 8 person-months of international consultancy for poverty monitoring and evaluation and institutional development into two facilities---5 person months for poverty monitoring and evaluation and 3 person-months for institutional development. In spite of frantic efforts, it was not possible to locate a suitable international consultant for institutional development, resulting in the facility remaining unutilized. The work was made up through cooperative initiatives from the other consultants. The TA was completed within the original completion date. The training programs were designed keeping in view the capability of the staff to absorb training materials. Several workshops were held to share the work-in-progress. The consultant time was utilized cost-effectively for delivering expected outputs and performance of the consultants was satisfactory.				

The TA received effective support and cooperation from senior staff of GED. Counterpart staff and office accommodation for the consultants were provided.

### **Evaluation of Outputs and Achievement of Outcome**

Consultants' reports on the five outputs as required under the contracts were submitted. The reports were comprehensively written, in accordance with the TORs and were satisfactory. The reports recommended institutional set up/arrangement to be put in place, agencies to be involved, indicators to be tracked and framework to be followed in operationalizing a satisfactory M&E system.

Output 1 on the Institutional and Coordination Framework was built on the successes of the PRSP process, including oversight by the National Steering Committee (NSC), facilitation and provision of administrative and secretarial services by the GED, involvement of civil society organizations (CSO), and participatory consultations. The output sought to promote enhanced human capacities in and outside government, and enable improved quality of policy analyses. The institutional and coordination framework for M&E includes the National Economic Council as the apex body providing guidance for poverty M&E and attainment of MDGs and approving the M&E report. The NSC, with redefined TORs, is the apex executive body for poverty M&E. An Independent Committee for M&E of PRS and attainment of MDGs has been established to ensure annual M&E report preparation, providing independent assessment of the report, and resolving disputes on data and methodologies. The NPFP, under the guidance of the NSC, will monitor progress of PRS implementation and attainment of MDGs, coordinate data generation, conduct theoretical and quantitative analyses, and publish annual M&E report. The Working Groups set up at the ministries will include ministry officials, representatives of CSO, academic/research institutions, development partners and private sector, and will collect and analyze data on inputs and outputs and prepare and submit to NSC annual report on sectoral progress on PRS implementation. The Bangladesh Bureau of Statistics (BBS) will identify data needs for M&E of PRS in consultation with NPFP and other stakeholders, and generate, update and analyze such data. CSO will participate through the Working Groups and NPFP in the Government's M&E activities in addition to their own independent monitoring activities. Finally, roles for the development partners are envisaged in the M&E process through their participation in the Working Groups, interactions with NSC, CSO and research organizations. The NPFP and the lead ministries for each Working Group would seek involvement of CSO and development partners on policy areas where they have strong interests and expertise. The NPFP would provide secretarial service to and collate reports from the Working Groups and prepare summaries for forwarding to NSC. NPFP would also initiate, coordinate and undertake in collaboration with other government institutions and CSO, as advised by the Independent Committee, investigation of key policy issues. Recommendations have been made for staffing, training, capacity building and logistics of NPFP. Training and capacity under the TA has improved skill levels at NPFP and skill-mix of staff has been enhanced through deployment of suitable staff at NPFP. The situation is likely to improve further with the joining in the near future of more staff with relevant graduate level foreign training. Following TA recommendations, the TORs of the NPFP has been recast and detailed out and institutionally, the entire GED has been reorganized to function as the NPFP. The NPFP has been given a permanent shape with clearly defined institutional links and coordination functions involving government and outside agencies. The NPFP is thus expected to effectively discharge its coordination and supervisory functions. It may be noted that the National Poverty Reduction Council (NPRC), which was initially expected to guide the process of PRSP preparation and M&E, was eventually not made functional.

Under Output 2 on the Interim Poverty Monitoring Mechanism, a framework has been proposed for coordinated efforts at collection and analysis of data and feedback of information into policy analysis. A roadmap for production of indicators has been proposed and a list of indicators has been developed, which have also been included in the PRSP. An Outline of the Progress Report on Poverty Reduction Strategy has been developed.

Under Output 3, recommendations were made to strengthen the NPFP and other agencies related to M&E institutionally and improve human resource management for policy analysis and poverty monitoring. A Human Capacity Building Program for NPFP, Government and CSO has been proposed emphasizing in-house and on-the-job training to transfer and develop sustainably appropriate skills and work practices within institutions. This focuses on accomplishing PRS and MDGs M&E using in-house resources supported and supplemented by the capacities of independent academic and research institutions, CSO and private sector to build local capacities for such work.

Output 4 focuses on participatory consultation and developing the methods and tools for participatory poverty monitoring. The Output reviews methodological issues and provides suggestions on the use of participatory poverty monitoring (PPM). The Output assesses the capacity building needs of NPFP for PPM and discusses mechanisms for sensitizing key policy makers and development partners on poverty monitoring. The Output also develops a consultation calendar for undertaking PPM for PRS implementation.

Under Output 5, the TA, in order to explore the possibility of CSO initiative in poverty monitoring, and identify suitable CSO, reviewed involvement of CSO in research, dialogue and action research for poverty reduction, held meetings

with, and organized workshops for CSO. The Output recommended involvement of a broader group of CSO in poverty monitoring to make the process transparent and participatory. The Output envisaged CSO interactions with the NPFP using the framework of the Working Groups through grouping around common interests in policy to coordinate their activities relevant to M&E. The Working Groups would provide important opportunities for grouping of CSO to articulate their expertise and influence government policies through M&E activities. The CSO could organize consultations and collect and analyze qualitative information on monitoring indicators, quantitative information on inputs, outputs and outcomes, and disseminate the findings. The NPFP would also use CSO's own M&E outputs to supplement or strengthen M&E work at the NPFP. CSO involvement in M&E will require them to interact with NSC, the Working Groups, BBS and other data generating agencies. CSO will also need to work with ministries and government service delivery programs. It is suggested that these CSO could work in flexible and self determining ways at national, district and local levels to monitor inputs, outputs and achievements under the PRSP. This will enable the CSO to articulate their grass root knowledge of development realities through aggregation to larger geographical areas. It is recommended that the CSO will be selected for M&E based on their willingness to contribute to this process and acceptance of their roles by the Government. It is suggested that NSC will determine specific indicators to be monitored by the CSO, linked to their activities. The CSO will conduct M&E, hold regional discussions and share the outputs with the NSC, which will meet the CSO from time to time. Two critical issues needing resolution toward CSO involvement in projects are first, the question of the Government's accepting CSO views and second, how to ensure efficiency, transparency and authenticity of CSO monitoring. It is important to assess the planning and organizing capacities of CSO. Confidence needs to be built on the quality of CSO outputs and CSO capability to conduct policy relevant research. Capacity building of CSO specific to the needs of monitoring will be essential, and incentive structure and funding arrangements will need to be made. The TA, through two workshops, imparted knowledge to CSO on (i) issues and methods of M&E and (ii) participatory poverty assessment for M&E. These workshops also assessed the capability building needs. Output 5 also identified and outlined the areas for capacity building and proposed regular modules and modalities for capacity building of CSO. The Output also proposed a funding mechanism for CSO.

The lack of the international institutional expert in the consultants' team did not affect the quality of output or outcome. Building on the work done by the three first phase domestic institutional consultants and with active inputs from the other second phase consultants, the domestic institutional consultant delivered desired TA output on institutional and coordination framework for M&E. The EA found the suggestions and recommendations of the TA reports timely and helpful for it to draw up a work plan for further capacity building of NPFP. The training provided to GED staff on poverty measurement and analyses was considered useful by the EA. The EA acknowledged that such training was not earlier available in the country.

#### **Overall Assessment and Rating**

The TA can be rated as successful, as the main TA objectives were met and the TA was implemented in accordance with the TORs. The intervention was timely as it overlapped with the entire period of PRSP formulation in Bangladesh (2003-2005) and thus able to adjust to the evolving needs for M&E capacity building on a real time basis.

#### **Major Lessons**

The success of the TA depended on the ability of the consultants to adjust to the institutional needs of GED, motivate the trainees and tailor training programs to staff receptive capacity.

#### **Recommendations and Follow-Up Actions**

The TA was seen as the first in a series of interventions needed to develop a satisfactory M&E system inside the Government. ADB needs to work closely with GED and other development partners to ensure that TA recommendations on institutional and human resource capacity building, implementation of participatory poverty monitoring mechanism and stakeholder consultation process and involvement of civic society are implemented and actions on these activities kept on track. The capacity building work done under the TA needs to be sustained. ADB should track implementation of TA recommendations in considering future assistance for further strengthening of M&E in Bangladesh.

**Prepared by** Mohammad Z. Hossain

**Designation**

Senior Economics Officer