



# Completion Report

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Project Number: 49156-001  
Technical Assistance Number: 9061  
September 2021

## Enhancing Governance and Capacity Development as Driver of Change

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## TECHNICAL ASSISTANCE COMPLETION REPORT

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| <b>TA Number, Country, and Name:</b><br>TA 9061-REG: Enhancing Governance and Capacity Development as Driver of Change |   | <b>Amount Approved:</b> \$1,500,000             |   |
|  |   | <b>Revised Amount:</b> \$3,270,000              |   |
| <b>Executing Agency:</b><br>Asian Development Bank   | <b>Source of Funding:</b><br>Technical Assistance Special Fund (TASF–VI and TASF–Other Sources) | <b>Amount Undisbursed:</b><br>\$187,717.61      | <b>Amount Used:</b><br>\$3,082,282.39           |
| <b>TA Approval Date:</b><br>18 December 2015   | <b>TA Signing Date:</b><br>18 December 2015   | <b>TA Completion Date</b>                       |   |
|  |   | <b>Original Date:</b><br>31 December 2018       | <b>Latest Revised Date:</b><br>31 December 2020 |
|  |   | <b>Financial Closing Date:</b><br>18 March 2021 | <b>Number of Extensions:</b> 1                  |
| <b>TA Type:</b><br>Capacity development TA   |   | <b>TA Arrangement:</b><br>Not applicable        |   |

### Description

The Asian Development Bank (ADB) Midterm Review of Strategy 2020 observed that weak governance and institutional capacities continue to constrain the development prospects of many developing member countries (DMCs), and that corruption and lack of accountability and transparency, in particular, impede the effective delivery of basic services and the benefits of growth from being widely shared. This capacity development technical assistance (TA) responded to the findings of ADB's Midterm Review of Strategy 2020 supporting the implementation of Strategy 2020, and, subsequently, Strategy 2030 governance and capacity development objectives in participating DMCs.

### Expected Impact, Outcome, and Outputs

The TA responded to the demands from DMCs for technical support and knowledge in governance and capacity development that responds to their needs and addresses key institutional issues affecting the quality and success of ADB operations. It supported the preparation and implementation of country partnership strategies (CPSs) and sector road maps through better analytics, innovative knowledge solutions, collaborative practices, and strengthened regional partnerships. The expected impact was DMCs respond more effectively to governance and capacity challenges in the sectors and subsectors where ADB is active. The outcome was governance and capacity development better mainstreamed (in ADB country programming and operations). The TA included four outputs: (i) governance risk assessments (GRAs) that inform CPSs, sector assessments and roadmaps, and operations prepared; (ii) knowledge products and partnerships that bring greater attention to governance and capacity issues developed; (iii) governance and capacity development in operations for selected DMCs further integrated; and (iv) implementation of the ADB/Organisation for Economic Co-operation and Development (OECD) Anticorruption Initiative for Asia and the Pacific enhanced.

The Governance Thematic Group (GovTG) processed one major and three minor changes in scope and implementation arrangements during the course of implementation to meet operational demands and effectively support participating DMCs and their emerging needs. These included: (i) a minor change for an additional financing of \$265,000 approved on 23 October 2017 to support a knowledge partnership agreement (KPA) with the Lee Kuan Yew School of Public Policy (LKYSPP) for an open access journal entitled Policy Design and Practice published by Taylor and Francis, activities on infrastructure governance, state-owned enterprise (SOE) reforms and corporate governance, and transfer of output 4's implementation to the Office of Anticorruption and Integrity (OAI); (ii) a major change for an additional financing of \$1,000,000 and extension of TA completion date from 31 December 2018 to 31 December 2020 approved on 12 April 2018 for five additional GRAs at the country and sector levels in accordance with the revised guidance for implementing ADB Second Governance and Anticorruption Action Plan (GACAPII),<sup>1</sup> three additional national governance experts to assess governance issues in CPSs and resource needs of resident missions, and the expansion of coverage of DMCs in the inaugural ADB–OECD Southeast Asia Government at a Glance (SEAG@G) report;<sup>2</sup> (iii) a minor change for the rebranding of the ADB/OECD Anticorruption Initiative for Asia and the Pacific approved on 6 June 2018 to Anti-Corruption Initiative for Asia-Pacific to encourage more development partners

<sup>1</sup> ADB. 2014. [Revised Staff Guidance for Implementing the Second Governance and Anticorruption Action Plan \(GACAP II\)](#). Manila.

<sup>2</sup> ADB and OECD. 2019. [Government at a Glance Southeast Asia 2019](#). Paris: OECD Publishing.

to contribute to its activities; and (iv) a minor change for an additional financing of \$505,000 approved on 29 November 2018 to support small-scale knowledge sharing and innovative activities in DMCs on mitigating governance risks, addressing governance challenges with high institutional complexity and innovation, and encouraging multistakeholder approaches to governance and capacity development for better public service delivery.

### **Implementation Arrangements**

ADB was the executing agency of the TA, which was implemented from December 2015 to December 2020. The GovTG Secretariat in ADB's Sustainable Development and Climate Change Department (SDCC) was responsible for administering TA activities. For outputs 1–3, the GovTG Committee served as the steering group for TA implementation, monitoring, and reporting, coordinating closely with relevant operations departments, OAI, and Procurement, Portfolio and Financial Management Department.<sup>3</sup> For output 4, GovTG initially implemented this until the President's approval of the transfer to OAI on 23 October 2017. OAI acted as the secretariat of the ADB/OECD Anticorruption Initiative for Asia and the Pacific from October 2017 to December 2020, jointly with OECD.

Following the changes in scope and implementation arrangements, the total person-month inputs for international and national consulting services had increased from 43 to 84, and from 150 to 210 person-months, respectively. By completion date, a total of 273 person-months, 106 from international consultants and 167 from national consultants, were engaged. The increase in international consultants' inputs was in response to the coronavirus disease (COVID-19) pandemic, which saw an increase in home inputs in lieu of field inputs. Consultants worked closely with DMC agencies in strengthening CPSs and ADB's country portfolio with expertise in public financial management (PFM), procurement, combating corruption, governance reforms, and/or institutional risk assessment and management. This enabled ADB to provide support for GRAs and governance capacity development activities, and facilitate dialogue with DMC officials. All consultants were contracted in accordance with ADB's Guidelines on the Use of Consultants (2013, as amended from time to time), and the ADB Procurement Policy (2017, as amended from time to time).

### **Conduct of Activities**

Details on each of the outputs are stated below and in the design and monitoring framework (DMF) in Appendix 1.

#### **Output 1: Governance risk assessments that inform country partnership strategies, sector assessments and road maps, and operations prepared**

The TA engaged consultants to conduct GRAs in accordance with the revised staff guidance for implementing GACAP II (footnote 1), focusing on improving analysis of governance and institutions, including in priority sectors, and assessing country systems for PFM and procurement to enable ADB's shift toward the use of country systems. From 2017 to 2020, 13 GRAs were completed in DMCs while 35 sector-level governance assessments covering education, energy, finance, transport, water, and urban development sectors were done in 11 DMCs to inform their respective CPSs. Quality assurance for GRAs were also provided by GovTG outside of those directly funded under the TA for Bangladesh, Cambodia, Indonesia, Lao People's Democratic Republic, and Pakistan. The summary of the GRAs were included in the CPSs as linked documents, and full reports are stored in an online repository internal to ADB (access by request).

#### **Output 2: Knowledge products and partnerships that bring greater attention to governance and capacity issues developed**

The TA conducted technical studies covering specific areas of governance and capacity development, including at sector and subsector levels, and in sector operations, that contributed to enhanced governance and institutional performance, which produced a total of 10 governance briefs on good practices.

In 2017, ADB entered into a KPA with LKYSPP with the intent of advancing innovative and academically rigorous work to improve governance and public policy through a policy reform journal, an open access journal on policy reforms entitled *Policy Design and Practice* published by Taylor and Francis in 2018.<sup>4</sup> ADB, through the KPA, supported the first volume of the journal published in 2018 consisting of three issues and 17 peer-reviewed academic articles, which led the way to three more volumes with a total of 11 issues and 55 peer-reviewed academic journals on public sector management. Since the launch in 2018, the journal has shown consistent growth in articles published, readership and downloads. From January to August 2021 alone, it received over 177,000 annual downloads/views.<sup>5</sup>

<sup>3</sup> The GovTG Committee is composed of representation from all operations departments; Private Sector Operations Department; Office of Public–Private Partnership; Strategy, Policy and Partnerships Department; Procurement, Portfolio and Financial Management Department; OAI; and sector and thematic groups in SDCC.

<sup>4</sup> Taylor & Francis Online. [Policy Design and Practice](#).

<sup>5</sup> Taylor & Francis Online. [Journal Metrics for Policy Design and Practice](#).

From 2017 to 2019, ADB partnered with OECD, engaged technical experts, and co-organized regional workshops and events to produce the SEAG@G publication (footnote 2). The publication provided the latest available data on the functioning and performance of public administrations among all members of the Association of Southeast Asian Nations (ASEAN) with the objective to better inform public sector reforms and strengthen evidence-based policymaking in the region, as well as foster peer-to-peer learning among all 10 ASEAN countries. The publication was completed in 2018 with the foreword jointly signed by then President of ADB, Takehiko Nakao, and the Secretary General of OECD. The report was launched in September 2019, and thereafter, was translated into Japanese, Malaysian, Indonesian, Thai, and Vietnamese by OECD, with blogs published by ADB–OECD to disseminate further the findings from the report.

In December 2019, ADB and ADB Institute co-published a book with Routledge on an in-depth analysis of the state of governance in developing Asia, which included a dedicated peer-reviewed paper on reforming SOEs in the region.<sup>6</sup>

In view of the COVID-19 pandemic and to support the recovery in the new normal, the TA engaged an international expert on quality infrastructure investment to do a technical study that led to the publication of an ADB Special Report on Supporting Quality Infrastructure in Developing Asia.<sup>7</sup> This report emphasizes the need to balance urgent demand for infrastructure financing with governance approaches that focus on boosting efficiency and integrating infrastructure systems with a key focus on the role of SOEs. The report was presented at an ADB high-level roundtable with the International Monetary Fund, Japan International Cooperation Agency, OECD, and the World Bank in April 2021, and was complemented by a series of blogs on this topic.

### **Output 3: Governance and capacity development in operations for selected developing member countries further integrated**

A total of 15 national governance experts were engaged by the TA. These national experts worked closely with ADB staff and government officials across a range of small-scale activities supported under the TA to address governance issues identified in the CPSs. These included conducting political economy analysis in Afghanistan, Nepal, and Uzbekistan; TA for strengthening public investment management, public debt and financial risk management policies and practices in Armenia; civil service and wage reform in Azerbaijan; enhancing subnational service delivery in Indonesia and the Philippines; SOE reforms and corporate governance diagnostic assessments in Georgia; policy papers on PFM, fiscal management and the green recovery post-COVID-19 in the People's Republic of China (PRC); and TA for public procurement reforms in Kiribati and Nepal. These TA engagements served to support ADB's existing policy-reform dialogues in several DMCs as part of nine ongoing operations in five DMCs (Armenia, Azerbaijan, Indonesia, Kiribati, and Nepal). The TA also supported over 40 small-scale knowledge sharing and innovative activities that helped mitigate governance risks, addressed governance challenges with high institutional complexity and innovation, and encouraged multistakeholder approaches to better service delivery. During these events, findings of reports and related activities were also discussed and disseminated, and ADB engaged in dialogue with DMC stakeholders.

### **Output 4: Implementation of the ADB/OECD Anticorruption Initiative for Asia and the Pacific enhanced**

Between 2016 and 2020, the TA supported three steering group meetings held in Bhutan, the Republic of Korea, and Viet Nam; eight capacity development events, including a training on preventing corruption in public procurement, in Kazakhstan; two regional conferences on nurturing an anticorruption culture and combating corruption in infrastructure projects in the Republic of Korea and Viet Nam; a law enforcement network meeting in the Republic of Korea; two public integrity network meetings in Kazakhstan and Viet Nam; and an inaugural business integrity meeting in Viet Nam. Under this output, the TA also produced the following: (i) an evaluation of the Anticorruption Initiative in 2018; (ii) a country integrity review of Thailand in 2019;<sup>8</sup> (iii) conference and regional meetings reports from 2018 to 2020; and (iv) a stocktaking report in 2020 on regional and national anticorruption reforms and good practices implemented in the last five years to identify capacity assistance needs for public integrity, law enforcement, and business integrity, as inputs to the Anticorruption Initiative's Work Program for 2021–2023. In 2020, Azerbaijan and Georgia were endorsed as new members of the Anti-Corruption Initiative for Asia-Pacific, expanding the total membership to 33 countries and jurisdictions.<sup>9</sup>

<sup>6</sup> G. Bhatta. 2019. *Those That Fix the Lights: The Practice of Public Sector Management in Developing Asia*. Washington, DC: Asian Development Bank Institute / Routledge.

<sup>7</sup> ADB. 2021. *Supporting Quality Infrastructure in Developing Asia*. Manila.

<sup>8</sup> OECD. 2018. *OECD Integrity Review of Thailand: Towards coherent and effective integrity policies*. *OECD Public Governance Reviews*. Paris: OECD Publishing.

<sup>9</sup> The 33 members and jurisdictions of the Anti-Corruption Initiative for Asia-Pacific: Afghanistan; Australia; Azerbaijan; Bangladesh; Bhutan; Cambodia; PRC; Cook Islands; Fiji; Georgia; Hong Kong, China; India; Indonesia; Japan; Kazakhstan; Kyrgyz Republic; Macau, China; Malaysia; Mongolia; Nepal; Pakistan; Palau; Papua New Guinea; Philippines; Republic of Korea; Samoa; Singapore; Solomon Islands; Sri Lanka; Thailand; Timor-Leste; Vanuatu; and Viet Nam.

### Technical Assistance Assessment Ratings

| Criterion                 | Assessment   | Rating                  |
|---------------------------|--|-------------------------|
| Relevance                 | The TA was appropriately designed in mainstreaming governance and capacity development “as driver of change” as part of ADB Strategy 2020, and subsequently, ADB Strategy 2030 operational priority 6 on governance and institutional capacity, which reinforced the importance of governance as essential in ensuring inclusive and sustainable growth in DMCs. The changes in scope and implementation arrangements done after initial implementation ensured that the TA could continue to effectively meet operational demands and support participating DMCs and their emerging needs. The TA modality also provided enough flexibility to respond to the priorities outlined in the CPSs of participating DMCs, including in responding to the impact of COVID-19.   | Relevant                |
| Effectiveness             | The TA is rated as effective in achieving the outcome of increased percentage of ADB operations supporting governance and capacity development from the baseline of 60% ADB and 74% Asian Development Fund to 72% and 91% in 2020, respectively. The TA contributed to this outcome through the delivery of all outputs and achievement of the majority of the set performance targets, as indicated in the DMF. It accomplished more than 50 diagnostic and knowledge products, including those that informed 13 CPSs of DMCs; conducted over 40 knowledge sharing and learning events attended by government representatives, DMC stakeholders, development partners, and ADB staff; supported existing policy-based dialogues in Armenia, Azerbaijan, Indonesia, Kiribati and Nepal, alongside informing policy-reform dialogues on PFM, fiscal management and the green recovery post-COVID-19 in PRC; and leveraged knowledge partnerships with LKYSPP and OECD, alongside collaborations with Deutsche Gesellschaft für Internationale Zusammenarbeit, Extractive Industries Transparency Initiative, the International Monetary Fund, Japan International Cooperation Agency, and the World Bank.   | Effective               |
| Efficiency                | With close collaboration among operations department, implementing agencies, and partner agencies, the TA was efficient in delivering the outcome and outputs. The TA was efficiently used with 95% of the budget utilized. The TA would have fully utilized the budget with the conduct of three GRAs if not for the changes in the timing of the CPSs of three DMCs due to external factors and COVID-19. The TA extensions, additional financing, and changes in scope and implementation arrangements provided the TA with leverage to respond to DMC needs, as they arose. One example was the support provided by the TA to Armenia’s Ministry of Finance in implementing their policy-based loan on public efficiency and financial markets program. The TA financed expertise to formulate an integrated fiscal risk management framework and an operational and training strategy for its fiscal risk assessment department, and produce a Fiscal Risk Assessment Guide and Risk Vetting and Monitoring Framework for Public–Private Partnerships. With the onset of COVID-19, the TA was still able to allocate funds to address emerging concerns and issues related to public service delivery and updates to governance risk assessments. | Efficient               |
| <b>Overall Assessment</b> | The TA was <b>successful</b> as it has (i) contributed to mainstreaming governance and capacity development “as driver of change” aligned with ADB’s Strategy 2020 and 2030, which reinforced the importance of governance as essential in ensuring inclusive and sustainable growth in DMCs, (ii) effectively met operational demands and supported participating DMCs and their emerging needs, and (iii) efficiently managed its resources to deliver the expected outputs and provide flexibility to respond to emerging needs of DMCs, including responding to the impact of COVID-19.  | Successful              |
| <b>Sustainability</b>     | The TA is most likely sustainable. Technical inputs and activities were well-received by operations departments and supported CPSs, ADB policy-based dialogues and projects, and implemented with a high degree of support from governments and stakeholders. It is also noted that the TA underwent changes in leadership, with three project officers over five years. However, it was able to meet operational demands while assuming new responsibilities, taking advantage of available opportunities and possible interventions, and adopting to changes brought about by the COVID-19 pandemic.   | Most likely sustainable |

### Lessons Learned and Recommendations

|                                     |  |
|-------------------------------------|--|
| Design and/or planning              | <p><u>Lessons:</u> (i) Frequent consultations with operations departments and respective client counterparts to ensure the program is aligned to the CPSs, sector assessments and knowledge road maps, and operations with a longer-term horizon for addressing governance and capacity issues in DMCs; and (ii) supporting knowledge and innovative solutions, which are aligned to ADB operational dialogue with a clear strategic agenda and implementation plan.</p> <p><u>Recommendations:</u> (i) Maintain close coordination with operations departments to lead and support TA outputs; and (ii) prepare and constantly refer to the CPSs and on-going operational dialogues to better determine which subprojects would effectively meet TA objectives.</p>   |
| Implementation and/or delivery      | <p><u>Lessons:</u> (i) Flexibility to respond to operational demands and connect TA activities to CPS, sector assessments, sector road maps, and longer-term operations to address DMC governance and capacity issues; and (ii) maintain clear and open lines of communication with relevant internal and external stakeholders, which is crucial to ensure the achievement of TA outputs.</p> <p><u>Recommendations:</u> (i) Combine sound diagnostics and close collaboration with DMC stakeholders with adept use of operational modalities; (ii) design a TA that would allow flexibility to efficiently respond to DMC demand; and, at the same time, and (iii) a well-planned implementation to reduce transaction costs in terms of processing changes in scope and implementation arrangements and extension of TA completion date, particularly for activities managed by other teams.</p>  |
| Management of staff and consultants | <p><u>Lessons:</u> (i) Frequent meetings with ADB (management, project officers, staff, and consultants) is necessary and an effective way to ensure progress of the TA remains on-track and all activities are well managed; and (ii) recruitment of experienced experts in the development space and who are familiar with ADB protocols and procedures, and those of client counterparts, is important to effectively carry out TA implementation.</p> <p><u>Recommendation:</u> Effective communication with implementing teams on the approach and strategic plans for TA implementation is important. This can also be used as the basis for accountability on individual responsibilities.</p>  |
| Knowledge building                  | <p><u>Lessons:</u> (i) Approaches to addressing institutional strengthening and capacity issues continue to evolve. The TA highlighted the increasing importance assigned to the country-specific context in which institutions operate and the ability of stakeholders—individual, organizational, networks of organizations, and the institutional enabling environment—to adapt to change as the outcomes of capacity development processes. The TA adopted recognized principles of effective capacity development using ADB’s framework with a focus on country ownership and on results, and attention to enabling institutional environment with a strong sustainability base. (ii) Use of digital tools and technology can be invaluable throughout various stages of the project implementation, from data gathering to stakeholder meetings to product dissemination, in order to broaden reach and accessibility.</p> <p><u>Recommendations:</u> (i) In accordance with ADB Strategy 2030 operational priority 6, the capacity development framework aims to improve the mainstreaming of capacity development principles and practices in operations. This will require ADB to strengthen and broaden the base of recommended good practices, and strengthen the quality-at-entry review process, as the selection of capacity development support is important across all DMCs, but especially across DMCs with access to the Asian Development Fund, where returns are potentially higher given their weaker institutional base; (ii) capacity development efforts will need to be strategically integrated with upstream public sector management operations and downstream sector support; and (iii) relationships between development partners and government stakeholders must be nurtured for continuous cooperation and collaboration, and in the promotion and development of efficiently accomplished outputs to ensure sustainability of TA outcomes.</p> |
| Stakeholder participation           | <p><u>Lesson:</u> Upfront participation of and effective communications with key internal and external stakeholders, and increased ownership of TA outputs are critical for project success and sustainability.</p> <p><u>Recommendation:</u> Stakeholder analysis and needs assessments should be conducted to support development interventions and capacity building.</p>   |
| Partnership                         | <p><u>Lesson:</u> The TA benefited from knowledge partnerships with LKYSPP and OECD in terms of knowledge sharing and capacity development activities. The expertise available within</p>  |

|                               |  |
|-------------------------------|--|
|                               | <p>OECD and its proven methodologies, including its global survey tools and staff resources, complemented ADB's in preparing the SEAG@G publication and related activities. In addition, the rebranding of the ADB/OECD Anticorruption Initiative for Asia and the Pacific resulted to active partnerships with the United Nations Development Programme that led to the launching of the Business Integrity Network in December 2019.</p> <p><u>Recommendation:</u> KPAs should be considered to further strengthen our diagnostics and analytical work, and to support ADB's dialogue with DMCs.</p> |
| Replication and/or scaling up | <p><u>Lesson:</u> ADB has successful experiences combining good diagnostics and collaboration with DMC stakeholders, with adept and integrated use of operational modalities. ADB must learn from and upscale the emerging good practices, while at the same time learning from and sharing innovative practices in DMCs, and globally.</p> <p><u>Recommendation:</u> Collaboration among development partners to conduct joint diagnostics should be promoted for better development outcomes.</p>  |

### Follow-up Actions

Despite the TA's support, ADB's Independent Evaluation Reviews continue to highlight public financial and infrastructure management, governance and capacity development needs to be more firmly anchored in operations. Its review on energy policies and programs between 2009 and 2019 showed that ADB programs had limited effectiveness in capacity building and governance.<sup>10</sup> The sector-wide evaluation of ADB support for the transport sector between 2010 and 2018 also found that the sustainability of transportation services and assets has been undermined by weak institutions and governance marked by poor planning, budgeting, and revenue generation.<sup>11</sup> Further, a synthesis report of evaluations of projects in the water and other urban infrastructure and services sector highlights related weaknesses in the sustainability of infrastructure assets. The main issues affecting sustainability of urban water projects are difficulty in making realistic cost estimates for and lack of efficiency in operations and management and its associated expenditures, and reluctance to charge appropriate tariffs.<sup>12</sup> Mainstreaming governance and capacity development requires a coordinated "One ADB" effort. Operations departments, including resident missions, have primary responsibility and should ensure they are suitably resourced to implement GACAPII, as well as give attention to institutional capacity issues. GovTG will continue to provide ongoing support including TA support to build on the gains made under this TA through ongoing TAs on institutional strengthening and capacity development to enhance service delivery (TA 9981), and the SDCC-wide TA on supporting the implementation of Strategy 2030 operational plans (TA 6754).

**Prepared by:**  
Hanif Rahemtulla

**Designation and Division:**  
Principal Public Management Specialist, SDTC-GOV

<sup>10</sup> ADB. 2020. [Sector-wide Evaluation: ADB Energy Policy and Program, 2009–2019](#). Manila.

<sup>11</sup> ADB. 2020. [Sector-wide Evaluation: ADB Support for Transport, 2010–2018](#). Manila:

<sup>12</sup> ADB. 2021. [Water and Other Urban Infrastructure and Services Sector: Lessons from Project Evaluations, January 2017–August 2020](#). Manila.

## DESIGN AND MONITORING FRAMEWORK

| Impact   |  |  |
|--|--|--|
| DMCs respond more effectively to governance and capacity challenges in the sectors and subsectors where ADB is active (defined by project).  |  |  |
| Results Chain  | Performance Indicators with Targets and Baselines  | Achievements   |
| <b>Outcome</b><br>Governance and capacity development better mainstreamed  | By 2021, percentage of ADB operations supporting governance and capacity development increase above the baseline (2014 baseline: 60% ADB and 74% ADF)  | <b>Achieved.</b> By 2020, ADB's commitments for governance and capacity development activities were at 72% ADB <sup>a</sup> and 91% ADF <sup>b</sup> of total commitments.   |
| <b>Outputs</b><br>1. GRAs that inform CPSs, sector assessments and road maps, and operations prepared<br><br>2. Knowledge products and partnerships that bring greater attention to governance and capacity issues developed | 1a. By 2020, at least 13 GRAs prepared at country- and/or sector-level as part of CPS so that GRAs are up-to-date in DMCs, as required (2015 baseline: GRAs prepared in 34 DMCs)<br><br>2a. By 2018, inaugural SEAG@G report prepared jointly with OECD (2015 baseline: No report)<br><br>2b. By 2018, online public policy journal brought out by globally recognized publisher | 1a. <b>Overachieved.</b> By 2020, 13 GRAs were completed by 2020 in Afghanistan, Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyz Republic, Maldives, Mongolia, Myanmar, Nepal, Papua New Guinea, Tajikistan, and Uzbekistan. Thirty-five sector-level governance assessments for education, energy, finance, transport, water, and urban development were completed for Afghanistan, Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyz Republic, Mongolia, Myanmar, Papua New Guinea, PRC, and Tajikistan.<br><br>2a. <b>Achieved.</b> By December 2018, the SEAG@G was completed jointly with OECD, and officially launched in 2019 at an ADB organized event with representatives from across all 10 participating DMCs, as well as ADB and OECD staff. The report and all survey information are available online, including the OECD International Database of Budget Practices and Procedures from 2012 to 2017. The collaboration spanned across several joint activities and events in supporting the delivery of the publication through steering committee meetings and workshops, data validation workshops with DMC counterparts, dissemination events to present preliminary finding of the report, i.e., 19th ASEAN Cooperation on Civil Service Matters and ADB Knowledge Forum 2018. The publication has been translated into five different languages and a series of blogs were published to further disseminate the findings from the report. The following are the published blogs: <ul style="list-style-type: none"> <li>• W. Um, B. Carrasco, and S. Sy. 2020. <a href="#">Artificial Intelligence and Machine Learning in the Time of COVID-19</a>. <i>Asian Development Blogs</i>. 29 July;</li> <li>• B. Carrasco and E. Lau. 2020. <a href="#">Why Infrastructure Governance Matters</a>. <i>Asian Development Blogs</i>. 27 January; and</li> <li>• B. Carrasco and H. Rahemtulla. 2020. <a href="#">Southeast Asia Needs High-performing Public Sector to Beat COVID-19</a>. <i>Asian Development Blogs</i>. 2 December.</li> </ul> 2b. <b>Achieved.</b> In 2018, the public policy journal, a product of the KPA with the LKYSPP signed in December 2017, was launched. Since then, the |

| Results Chain | Performance Indicators with Targets and Baselines   | Achievements  |
|---------------|---|---|
|               | <p>(2013–2015 baseline: not applicable)</p> <p>2c. By 2018, at least five additional governance case briefs prepared on good practices in sector preparations (2013–2015 baseline: 5)</p> | <p>journal has shown consistent growth in articles published, readership and downloads. Based on the most recent report, the journal received over 177,000 annual downloads/views from January to August 2021.</p> <p>2c. <b>Overachieved.</b> By 2018, seven governance briefs were completed under the TA, and by 2019, three additional governance briefs were completed, which covered localizing global agendas in multilevel governance systems, assessing public financial management performance and influencing the reform process, alternative ways of addressing governance and institutional challenges, budget accountability system, public performance reporting, and open government partnership as an important driver of economic progress and growth. These are:</p> <ul style="list-style-type: none"> <li>• H. Lindroth. 2016. <a href="#">The Open Government Partnership in Asia and the Pacific</a>. Manila;</li> <li>• J. Tryens. 2016. <a href="#">Government Public Performance reporting – Is it worth the effort?</a>. Manila;</li> <li>• J. Friedman. 2016. <a href="#">Budget Accountability Systems: What the Open Budget Survey Shows about Countries in the Asia and Pacific Region</a>. Manila;</li> <li>• N. Boeson. 2016. <a href="#">Institutions, Incentives, and Interests: Inspiring Ideas about Governance, Reforms, and Development Partner Roles in the Asia and Pacific Region</a>. Manila;</li> <li>• R. Rohdewohld. 2017. <a href="#">Localizing Global Agendas in Multilevel Governance Systems</a>. Manila;</li> <li>• L. Hawke. 2017. <a href="#">Public Expenditure and Financial Accountability: Assessing Public Financial Management Performance and Influencing Reform Processes</a>. Manila;</li> <li>• P. Oosterhof. 2018. <a href="#">Localizing the Sustainable Development Goals to Accelerate Implementation of the 2030 Agenda for Sustainable Development</a>. Manila;</li> <li>• R. Bahl. 2019. <a href="#">Rebalancing the Economy and Reforming the Fiscal System of the People's Republic of China</a>. Manila;</li> <li>• T. Fiutak and C. Verzosa. 2019. <a href="#">The “How” of Multistakeholder Engagement</a>. Manila; and</li> <li>• G. Ferrazzi, E. Rapp, and R. Setiadh. 2019. <a href="#">The Role of the East Java Innovation Hub in Fostering Good Local Governance</a>. Manila.</li> </ul> <p>Knowledge products were also produced based on DMC demand, and at the request of sector operations. The TA delivered a series of blogs in September 2020 on the role of emerging technologies (e.g., artificial intelligence, big data, and machine learning) in the time of COVID-19.</p> <ul style="list-style-type: none"> <li>• B. Carrasco, H. Rahemtulla, and S. Sy. 2020. <a href="#">Using Urban Mobility and Big Data to Track the Pandemic</a>. <i>Asian Development Blogs</i>. 12 October;</li> <li>• H. Rahemtulla et al. 2020. <a href="#">Using Satellite Imagery and Nighttime Lights to Understand the Impact of</a></li> </ul> |



| Results Chain | Performance Indicators with Targets and Baselines  | Achievements  |
|---------------|--|---|
|               | <p>3b. By 2020, up to 35 additional small-scale knowledge sharing and innovative activities in governance and public sector management are supported in DMCs where needs are expressed (2013–2015 baseline: 5)</p> | <p>financial risk management policies and practices in Armenia; civil service and wage reform in Azerbaijan; enhancing subnational service delivery in the Philippines and Indonesia; SOE reforms and corporate governance diagnostic assessment in Georgia; policy papers on PFM, fiscal management and the green recovery post-COVID-19 in PRC; and technical assistance for public procurement reforms in Kiribati and Nepal.</p> <p>3b. <b>Overachieved.</b> By 2020, over 40 small-scale knowledge sharing events and innovative activities were conducted that helped mitigate governance risks, address governance challenges with high institutional complexity and innovation, and encourage multistakeholder approaches to better service delivery. These included the following:</p> <ul style="list-style-type: none"> <li>• <a href="#">Integrating Governance and Institutional Development in ADB Operations</a>;</li> <li>• <a href="#">Implementing Results-Based Budget Management Frameworks</a>;</li> <li>• <a href="#">Can Corruption be Tackled? Making the Case for Good Governance</a>;</li> <li>• <a href="#">Meet Lucy: Do New Ideas in Governance Work in Practice?</a>;</li> <li>• <a href="#">Being Future Fit: Innovation &amp; the Development “Mutants”</a>;</li> <li>• <a href="#">How the Public Expenditure and Financial Accountability Framework Can Make a Difference</a>;</li> <li>• <a href="#">Good Governance: A Foundation to Achieving the Sustainable Development Goals</a>;</li> <li>• <a href="#">2017 World Development Report: Understanding Governance Preview</a>;</li> <li>• <a href="#">Extractive Industry Transparency Initiative in Asia: Progress and Emerging Issues</a>;</li> <li>• <a href="#">Mobilizing Multi-Stakeholder Action for Reform</a>;</li> <li>• <a href="#">Transforming Leadership - Second Program</a>;</li> <li>• <a href="#">The Role of Parliaments in Implementing the Sustainable Development Goals</a>;</li> <li>• <a href="#">Role of Behavioral Economics to Improve Public Policies and Programs</a>;</li> <li>• <a href="#">"What Elephant?" Framing Governance Reforms in Real-World Conditions</a>;</li> <li>• <a href="#">Evidence-based Governance Matters in Asia</a>;</li> <li>• <a href="#">Corporate Governance: Challenges and Opportunities in Asia</a>;</li> <li>• <a href="#">Improving Public Investment Efficiency through Public Investment Management Assessment</a>;</li> <li>• <a href="#">Making Access to Information a Meaningful Right: The Freedom of Information Program One Year On</a>;</li> <li>• <a href="#">Modernizing Land Administration to Enhance Development</a>;</li> <li>• <a href="#">Internet of Things: Translating Hype into Reality</a>;</li> <li>• <a href="#">City Finances in Asia and the Pacific: Issues and Reform Options</a>;</li> <li>• <a href="#">Applying Big Data to Public Service Delivery</a>;</li> <li>• <a href="#">Optimizing Public Services through Digital Government</a>;</li> </ul> |

| Results Chain  | Performance Indicators with Targets and Baselines  | Achievements   |
|--|--|--|
| <p>4. Implementation of the ADB/OECD Anticorruption Initiative for Asia and the Pacific enhanced</p> | <p>3c. By 2020, up to 40 DMC officials participate in GovTG's governance and institutional development learning program (2015 baseline: 0)</p> <p>4a. By 2018, at least 20 member countries participate in additional four regional events (one anticorruption conference and three annual steering group meetings combined with capacity development seminars) (2013–2015 baseline: 4 events)</p> | <ul style="list-style-type: none"> <li>• <a href="#">Driving Better Results from Public Services in New Zealand</a>; and</li> <li>• <a href="#">Apples and Oranges? A Normative Perspective on Governance in International Comparison</a>.</li> </ul> <p>The following were also conducted at a larger scale:</p> <ul style="list-style-type: none"> <li>• <a href="#">International Conference on Managing for Development Results</a>;</li> <li>• Evaluating and Monitoring Anticorruption Reforms with Deutsche Gesellschaft für Internationale Zusammenarbeit, U4, and the Philippine Government's Office of the Ombudsman;</li> <li>• <a href="#">Public Expenditure and Financial Accountability Assessment training with the World Bank</a>;</li> <li>• International Conference on Public Policy; International Conference on Public Administration with the University of the Philippines;</li> <li>• <a href="#">Seminar on Beneficial Ownership with Extractive Industries Transparency Initiative (EITI)</a>; and</li> <li>• seminars on SOE and public sector management reforms, including those with the ADB Institute, <a href="#">ADB-ADBI Forum on Governance and Institutions: Issues in SOE Reforms and Corporate Governance</a>.</li> </ul> <p>3c. <b>Overachieved.</b> From 2016 to 2018, a total of 55 DMC officials participated in the following events:</p> <ul style="list-style-type: none"> <li>• ADB–ADBI Forum on Governance and Institutions: Governance Issues in Domestic Resource Mobilization held at the ADBI in Tokyo, Japan on 10–11 November 2016 (17 DMC officials);</li> <li>• ADB–ADBI Forum on Governance and Institutions: Governance and Service Delivery: Practical Lessons for Subnational Governments held in Seoul, Republic of Korea on 9–11 August 2017 (20 DMC officials); and</li> <li>• ADB–ADBI Forum on Governance and Institutions: Issues in SOE Reforms and Corporate Governance held in Seoul, Republic of Korea on 11–13 June 2018 (18 DMC officials).</li> </ul> <p>4a. <b>Overachieved.</b> From 2016 to 2020, participants from at least 48 member countries attended the following regional events that had been supported by the TA:</p> <ul style="list-style-type: none"> <li>• 21st Steering Group Meeting: 14th Regional Seminar on Development with Values: Social Fence Against Corruption held in Thimphu, Bhutan on 8–10 November 2016 (262 participants);</li> <li>• 9th Regional Conference on Nurturing an Anticorruption Culture in the Asia-Pacific Region; 3rd Meeting of the Asia-Pacific Law Enforcement Practitioners Network; and 22nd Steering Group Meeting held in Seoul, Republic of Korea on 15–17 November 2017 (284 participants);</li> <li>• Public Integrity Meeting and Training, and Public Integrity Network Meeting on Preventing Corruption in Public Procurement held in Astana, Kazakhstan</li> </ul> |

| Results Chain   | Performance Indicators with Targets and Baselines   | Achievements   |
|---|---|--|
|   | <p>4b. By 2018, member countries contribute to one additional special thematic review (2013–2015 baseline: 1)</p> | <p>on 7–9 November 2018 (110 participants from 20 countries); and</p> <ul style="list-style-type: none"> <li>• 10th Regional Conference on Preventing and Combating Corruption in Infrastructure Projects in Asia Pacific; First Business Integrity Meeting; 3rd Public Integrity Network Meeting; 23rd Steering Group Meeting held in Hanoi, Viet Nam on 3–6 December 2019 (140 participants from 28 member countries).</li> </ul> <p>4b. <b>Achieved.</b> In 2018, the Government of Thailand requested for a thematic review of integrity policies and anticorruption efforts in the country, and the succeeding publication was supported by the TA. The Integrity Review of Thailand was published in 2018 by the OECD and included contributions from the country.</p> <p>In addition, the TA also produced the following by 2020:</p> <ul style="list-style-type: none"> <li>• <a href="#">Evaluation of the Anticorruption Initiative in 2018</a>;</li> <li>• <a href="#">Conference and regional meetings reports</a> from 2018 to 2020; and</li> <li>• Stocktaking report (unpublished) in 2020 on regional and national anticorruption reforms and good practices implemented in the last five years to identify capacity assistance needs for public integrity, law enforcement, and business integrity, as inputs to the Anticorruption Initiative’s Work Program for 2021–2023.</li> </ul> |
| <p><b>Actual Key Activities with Milestones</b></p>   |   |  |
| <p><b>1. GRAs that inform CPSs, sector assessments and road maps, and operations prepared</b></p> <p>1.1 Recruit and manage consultants to undertake GRAs in cooperation with DMCs and regional departments (September 2020)</p> <p>1.2 Provide quality assurance for GRA reports and support dialogue with DMCs, especially on design and monitoring of governance risk management plans (September 2020)</p> <p>1.3 Maintain central repository of GRAs and document good practices to promote attention to governance and institutional issues (December 2020)</p> <p><b>2. Knowledge products and partnerships that bring greater attention to governance and capacity issues developed</b></p> <p>2.1 Recruit and manage consultants to prepare SEAG@G report (March 2019)</p> <p>2.2 Organize three regional workshops with DMCs on preparation of the SEAG@G report, and dissemination exercises in at least two participating DMCs (November 2018)</p> <p>2.3 Organize regional event to launch SEAG@G report (September 2019)</p> <p>2.4 Recruit and manage consultants to prepare governance case briefs in cooperation with ADB’s regional departments (January 2020)</p> <p>2.5 Finalize knowledge partnership with LKYSPP to publish Policy Design and Practice (December 2017)</p> <p>2.6 Recruit consultants for preparing detailed terms of reference and budgets, undertake consultations, partner with institutions for the SOE Discussion Paper (August 2019)</p> <p>2.7 Disseminate knowledge products across DMCs, and integrate in knowledge and learning exercises (September 2019)</p> <p>2.8 Update OECD International Database of Budget Practices and Procedures from 2012 to 2017 for countries covered by the SEAG@G report (December 2018)</p> <p><b>3. Governance and capacity development in operations for selected DMCs further integrated</b></p> <p>3.1 Recruit national governance experts in coordination with ADB’s resident missions and place them in selected resident missions (July 2020)</p> |   |  |

- 3.2 Recruit and manage consultants to design and implement knowledge sharing and innovative activities that develop DMC capacity and mitigate governance risks (May 2020)
  - 3.3 Select a firm under FBS for e-government procurement in Viet Nam (November 2017)
  - 3.4 Provide quality assurance for the design of activities, including the peer review mechanism (March 2020)
  - 3.5 Support activity implementation and monitoring, including dialogue with DMC stakeholders (March 2020)
  - 3.6 Disseminate activity results, findings, and lessons to interested parties in ADB and DMCs, and integrate in knowledge and learning exercises (December 2020)
  - 3.7 Support targeted DMC officials to participate in annual governance and institutional development program (June 2018)
- 4. Implementation of the ADB/OECD Anticorruption Initiative for Asia and the Pacific enhanced**
- 4.1 Organize and conduct a regional seminar and steering group meeting in Bhutan jointly with OECD (November 2016)
  - 4.2 OAI assume role of secretariat of the ADB/OECD Anticorruption Initiative jointly with OECD (October 2017)
  - 4.3 Organize and conduct a regional conference, law enforcement meeting, and steering group meetings in the Republic of Korea jointly with OECD (November 2017)
  - 4.4 Recruit and manage consultant to undertake the Anticorruption Initiative's evaluation (December 2017)
  - 4.5 Organize a public integrity network meeting and engage consultants to conduct training in Kazakhstan (November 2018)
  - 4.6 Coordinate with OECD to undertake Thailand's integrity review (2018)
  - 4.7 Organize and conduct a regional conference, business integrity network launch, public integrity network meeting, and steering group meetings jointly with OECD (December 2019)
  - 4.8 Recruit and manage consultants to undertake the stocktaking report (December 2020)

#### Actual Inputs

Asian Development Bank: \$3,082,282

ADB = Asian Development Bank, ADBI = Asian Development Bank Institute, ADF = Asian Development Fund, ASEAN = Association of Southeast Asian Nations, COVID-19 = coronavirus disease, CPS = country partnership strategy, DMC = developing member country, FBS = fixed budget selection, GovTG = Governance Thematic Group, GRA = governance risk assessment, ICT = information and communications technology, KPA = knowledge partnership agreement, LKYSPP = Lee Kuan Yew School of Public Policy, OAI = Office of Anticorruption and Integrity, OECD = Organisation for Economic Co-Operation and Development, PRC = People's Republic of China, SEAG@G = Southeast Asia Government at a Glance, SOE = state-owned enterprise, TA = technical assistance.

<sup>a</sup> ADB. 2021. [2020 Development Effectiveness Review - Scorecard and Related Information](#). Manila.

<sup>b</sup> Strategy, Policy and Partnerships Department estimate.

Source: Asian Development Bank.

## TECHNICAL ASSISTANCE COST

**Table A2.1: Technical Assistance Cost by Activity**  
(\$'000)

| Item                                     | Amount <sup>a</sup> |                |                |
|--|---------------------|----------------|----------------|
|  | Original            | Revised        | Actual         |
| 1. Consultants                           | 1,190.0             | 2,365.0        | 2,491.2        |
| 2. Training, seminars and/or conferences | 270.0               | 680.0          | 572.4          |
| 3. Studies                               | 0.0                 | 30.0           | 1.3            |
| 4. Miscellaneous TA administration       | 20.0                | 185.0          | 17.4           |
| 5. Contingency                           | 20.0                | 10.0           | 0.0            |
| <b>Total</b>                             | <b>1,500.0</b>      | <b>3,270.0</b> | <b>3,082.3</b> |

<sup>a</sup> Financed by the Technical Assistance Special Fund.  
Source: Asian Development Bank estimates.

**Table A2.2: Technical Assistance Cost by Fund**  
(\$'000)

|             | Technical Assistance Special Fund | Total Cost |
|-------------|-----------------------------------|------------|
| 1. Original | 1,500.0                           | 1,500.0    |
| 2. Revised  | 3,270.0                           | 3,270.0    |
| 3. Actual   | 3,082.3                           | 3,082.3    |
| 4. Unused   | 187.7                             | 187.7      |

Source: Asian Development Bank estimates.