

**ASIAN DEVELOPMENT BANK**

**TAR:KGZ 32144**

**TECHNICAL ASSISTANCE**

**TO THE**

**KYRGYZ REPUBLIC**

**FOR**

**CAPACITY BUILDING IN THE**

**MINISTRY OF AGRICULTURE AND WATER RESOURCES (PHASE II)**

**May 2000**

## **CURRENCY EQUIVALENTS**

(as of 15 April 2000)

Currency Unit	–	Som
Som1.00	=	\$0.0209
\$1.00	=	Som47.9

The exchange rate of the som is determined on a managed float basis through periodic foreign exchange auctions. The calculations in this report are based on an exchange rate of Som43.1 to \$1.00.

## **ABBREVIATIONS**

ADB	–	Asian Development Bank
APCU	–	Agricultural Projects Coordination Unit
DOI	–	Directorate of Investment
EUFSF	–	European Union Food Security Program
Goscominvest	–	State Committee of the Kyrgyz Republic on Foreign Investment and Economic Development
MAWR	–	Ministry of Agriculture and Water Resources
MOF	–	Ministry of Finance
oblast	–	region
PIP	–	public investment program
raion	–	district
TA	–	technical assistance
USAID	–	United States Agency for International Development
WUA	–	water users association

## **NOTES**

- (i) The fiscal year (FY) of the Government ends on 31 December.
- (ii) In this report, "\$" refers to US dollars.

## I. INTRODUCTION

1. The Government of the Kyrgyz Republic has requested the Asian Development Bank (ADB) to continue its technical assistance (TA) support to strengthen the capacity of the Ministry of Agriculture and Water Resources (MAWR). The TA is to improve MAWR's aid coordination and management, and public investment programming functions. The Fact-Finding Mission visited the Kyrgyz Republic from 8 to 18 January 2000. This report is based on the findings of the mission and the understandings reached with the Government on the objectives, scope, terms of reference, implementation arrangements, and cost estimates for the TA.<sup>1</sup> The TA is included in the country assistance plan for 2000. The TA framework is contained in Appendix 1.

## II. BACKGROUND AND RATIONALE

2. Agriculture is the leading sector of the economy in terms of its contributions to gross domestic product (45 percent), employment (40 percent), and exports (30 percent). Development of the sector is a major Government priority, as agriculture is expected to continue to lead the recovery and future growth of the economy. MAWR has a key responsibility in supporting this recovery and growth toward a market-based agriculture sector. Under the former command system, MAWR simply implemented strategies and policies determined elsewhere; it is now responsible for formulating, implementing, and reviewing such policies and strategies. MAWR must now provide intellectual leadership for the development of laws, regulations, and services that will provide an economic environment for the agricultural private sector to prosper. Part of this role, particularly for implementation, is being decentralized to the oblast (region) and raion (district) levels of government. However, since independence, MAWR has been drastically reduced in size and has limited resources to undertake its functions effectively.

3. Since 1995, ADB's assistance to policy reform, capacity building, and investment in the agriculture sector has followed a strategy of building on previous and ongoing loans and TAs to maximize and consolidate the benefits. ADB's program to date has included three loans<sup>2</sup> and four TAs.<sup>3</sup> The Agriculture Sector Program, its attached TAs (TAs 2450 and 2451), and TA 3035 all involved capacity building for MAWR, and are now complete. The recently approved TA 3347 will strengthen capacity, but at the regional government level.

4. Under the Agriculture Sector Program loan, ADB supported the Government's reform program to move the agriculture sector to a market-based system through policy and institutional reform measures in land reform and farm restructuring, water rights management and user contributions, privatization of input supply enterprises, social protection, environmental protection, and institutional capacity building and restructuring.

5. TA 2451 helped establish the legal framework for water users associations (WUAs), established three pilot WUAs, and increased awareness and support for the concept of participatory management of irrigation. The initiatives of this TA were adopted by the Government and will be incorporated into the nationwide establishment of WUAs in the forthcoming World Bank-funded On-Farm Irrigation Project and ADB's Agriculture Area Development Project.

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<sup>1</sup> The TA first appeared in *ADB Business Opportunities* in February 2000.

<sup>2</sup> Loan 1407-KGZ: *Agriculture Sector Program*, for \$40 million, approved on 23 November 1995, and closed on 28 June 1998; Loan 1529-KGZ: *Rural Financial Institutions*, for \$12.5 million, approved on 21 August 1997; and Loan 1726-KGZ: *Agriculture Area Development Project*, for \$36 million, approved on 20 December 1999.

<sup>3</sup> TA 2450-KGZ: *Reorganization and Strengthening of the Ministry of Agriculture and Water Resources*, for \$1.324 million, approved on 23 November 1995, and physical activities were completed in September 1999; TA 2451-KGZ: *Building Capacity for the Formation and Management of Water User Associations*, for \$861,000, approved on 23 November 1995, physical activities completed on 31 March 1998; TA 3035-KGZ: *Capacity Building for the Ministry of Agriculture and Water Resources*, for \$470,000, approved on 29 June 1998, physical activities completed on 17 December 1999; and TA 3347-KGZ: *Institutional Strengthening in Planning and Management of Agricultural Development*, for \$800,000, approved on 20 December 1999, attached to Loan 1726-KGZ.

6. TA 2450 began the process of reorienting MAWR to clearly identify its role and functions in a market system; and initiated aid coordination and management, and public investment programming. As a result of the achievements of TA 2450, the Government asked ADB to continue this support, which was accomplished through TA 3035. The long-term development goal of these two TAs was to strengthen MAWR's capability to formulate a strategy and policies to design, finance, and implement a program to complete agriculture sector reform and provide continuing support for market-based agriculture. The immediate objective was to build capacity to design, implement, and monitor a public investment program, including aid coordination and management. By completion of TA 3035 (December 1999), MAWR had (i) established the Agricultural Projects Coordination Unit (APCU) responsible for aid coordination and public investment programming; (ii) implemented a simple computerized system for monitoring and reporting on the planning and implementation of development projects; (iii) established a documentation center containing collections of reports and legislation, in Russian and English, on the agriculture sector since independence; (iv) drafted the first public investment program for the agriculture sector; and (v) provided in-country and international training, in English, on basic economics to selected staff.

7. Three other expected outputs of TA 3035 were (i) the preparation of a comprehensive capacity-building strategy for MAWR, (ii) the introduction of a mechanism to monitor capacity building, and (iii) the continuation of economics training. These outputs were not fully accomplished. The major input for the capacity-building strategy was expected from project preparatory TA 3017: Agriculture Area Development Project,<sup>4</sup> but the output from this TA was insufficient to meet the requirements for a comprehensive strategy. Consequently, a mechanism for monitoring capacity building was also not developed. However, with the establishment of the project monitoring system, capacity-building activities could be readily incorporated into the existing system. Finally, the economics training was to be conducted by a domestic consultant who had benefited, along with five other staff, from international training under TA 2451. However, MAWR has been unable to utilize the skills of and benefit from these trained staff, as there is a tendency for senior staff not to recognize the relevance of new skills or seem threatened by younger staff who acquire new knowledge and skills. For this reason and the absence of the former local training specialist, who was continuing international training, economics training was not conducted. In addition, both TAs 2451 and 3035 undertook substantial additional tasks, including (i) establishing and supporting working groups to facilitate MAWR's work with consultants and representatives of external funding agencies in preparing externally assisted projects; (ii) supporting and providing advice on major policy issues for the planning and implementation of projects; (iii) providing ongoing economic and policy advice to the minister and support to maintain existing structures and organizational arrangements within MAWR; and (iv) obtaining additional financial support for MAWR activities from various external agencies. This mixed response and variable level of achievements in capacity building to date is a reflection of the nature of the transition process, the limited experience of external financing agencies with economies in transition, and consequently, the need to undertake capacity building by learning by doing.

8. For TAs 2450 and 3035, a flexible approach was adopted for implementation to accommodate the continuously changing circumstances accompanying the transition process. This included (i) adjusting the TAs to accommodate the continuous downsizing, changes in senior staff, and changing needs of MAWR in the light of experience gained during the course of implementation; (ii) providing more direct operational support to heighten awareness and demonstrate the need for and importance of effective aid coordination and management, and public investment programming; and (iii) accommodating additional tasks beyond the TAs. The consultants have acted as facilitators, catalysts, and demonstrators in reorienting MAWR to a more market-oriented public sector agency, while operationalizing the aid coordination and management, and public investment programming functions. Continuous dialogue with various ministers and senior staff of MAWR and other

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<sup>4</sup> TA 3017-KGZ: *Agriculture Area Development Project*, for \$900,000, approved on 12 May 1998.

Government agencies on the need for continued change, as well as endeavoring to provide an institutional framework within which change can occur has been an important activity. Now MAWR is beginning to redefine what is expected of it in a market-oriented system. This has now resulted in full acceptance by senior MAWR staff of the need for aid coordination and management, and public investment programming, and their incorporation into the mainstream functions of MAWR.

9. Substantial capacity building of MAWR is still required in many areas for it to be able to provide the required support for a market-based agriculture sector. However, the scale, nature, and duration of the capacity building require human resource development and organizational strengthening of MAWR and broader civil service reforms. Limited resources and the generally short duration of capacity-building activities mean that a very focused approach to key functions is necessary. The specific functions of aid coordination and management, and public investment programming need to be consolidated, linked to the budgeting process, and mainstreamed into the Directorate of Investment (DOI) of MAWR. In addition, more formal links need to be developed with the State Committee of the Kyrgyz Republic on Foreign Investment and Economic Development (Goscominvest), responsible for aid coordination and management, and the Ministry of Finance (MOF), responsible for public investment programming and budgeting at the national level. The Government has asked ADB to provide assistance for this next phase of capacity building.

10. The Swiss Agency for Development and Cooperation recently agreed and commenced the funding of the local staff and office support costs of APCU. Similarly, the United States Agency for International Development, under the Commercial Law Development Project, is financing the staff and operational costs to continue the development and maintenance of the legislation database. APCU requires technical support to (i) transfer the functions of aid coordination and management, and public investment programming to DOI; (ii) link the public investment program to the budget; and (iii) develop more formal links with Goscominvest and MOF. The proposed TA will serve as a model for use in other ministries.

11. The current TA will (i) provide technical support to MAWR, particularly APCU and DOI; (ii) work with the European Union to develop links between the public investment program and the budget; and (iii) work in close coordination with ADB-funded TA 3204<sup>5</sup> in Goscominvest to formalize links on aid coordination and management, TA 3382<sup>6</sup> in MOF on public investment programming, and TA 3347 (footnote 3) in the Chui region administration to link national level development to regional level administration. More specifically, the European Union Food Security Program (EUFSP) is helping MAWR (i) rationalize and improve budget efficiency (procedures, accountability, and transparency); and (ii) rationalize and improve policy formulation and resource allocation efficiency in MAWR. TA 3382 is strengthening Goscominvest's capacity to plan, coordinate, and monitor external assistance. A follow-on TA is scheduled in the country program for 2000. TA 3382 will improve the overall public investment programming function in MOF. TA 3347 will improve overall planning and management of agriculture development in Chui region, including the development of appropriate systems and procedures for planning, budgeting, and monitoring.

12. MAWR is also receiving capacity-building support through various externally funded projects. This support, largely from World Bank-funded projects, is aimed at strengthening the various technical departments involved in implementing their respective project activities. This includes land and agrarian reform, seed development, market information, crop protection, plant quarantine, livestock and veterinary services, and rural advisory development services. The former and current ADB TAs focus more on key core functions of MAWR, such as aid coordination and management, and public investment programming, that affect all departments within MAWR.

<sup>5</sup> TA 3204-KGZ: *Strengthening Aid Coordination and Management*, for \$124,000, approved on 9 June 1999.

<sup>6</sup> TA 3382-KGZ: *Strengthening Capacity in the Ministry of Finance for Financial Management and Planning of the Public Investment Program*, for \$463,500, approved on 28 December 1999.

13. The TA is in accordance with ADB's operational strategy for the Kyrgyz Republic in supporting the Government's reform activities through institutional change and capacity building to improve the provision of public services. The capacity-building program continues to be integrated with ADB's policy and investment program. The TA also supports the Government's strategy for policy and institutional reforms to facilitate economic growth and development.

### **III. THE TECHNICAL ASSISTANCE**

#### **A. Objectives**

14. The development objective of the TA is to strengthen MAWR's capacity to support the development of a market-based agriculture sector. The immediate objective is to consolidate and expand a mechanism for preparing, implementing, and monitoring the public investment program for the agriculture sector.

#### **B. Scope**

15. The TA will (i) support the preparation of an annual public investment program and its integration with MAWR's capital and recurrent budget; (ii) develop a monitoring and reporting system to more effectively meet the needs of MAWR, MOF, and Goscominvest; (iii) develop and document systems, methods, and procedures for planning, implementing, monitoring, and reporting of the public investment program; (iv) facilitate review of the existing organizational arrangements within MAWR for public investment programming, budget processing, and aid coordination and management; and make recommendations for more effective integration of these as mainstream functions; (v) examine approaches to establish more effective cooperation and coordination with MOF, particularly the public investment program unit, and Goscominvest on aid coordination and management, including identifying and prioritizing investment needs, and monitoring and reporting; (vi) review and make recommendations for the development of links and information exchange between the national, oblast, and raion level administrations; (vii) develop and document systems, methods, and procedures to be followed in any new organizational arrangements; and (viii) provide a training program tailored directly to staff needs to improve their skills to undertake the necessary functions of aid coordination and management, and public investment programming, and linking with other agencies. To facilitate the mainstreaming of aid coordination and management, public investment programming, and the development of more formal links with Goscominvest and MOF, the TA proposes to establish an interdepartmental committee within MAWR, chaired by the deputy minister of economics and investment, and an interministerial committee comprising MAWR, Goscominvest, and MOF representatives.

#### **C. Cost Estimates and Financing Plan**

16. The total cost of the TA is estimated at \$689,100 equivalent, comprising \$489,600 in foreign exchange costs and \$199,500 equivalent in local currency costs. ADB will finance \$585,000 equivalent, consisting of the entire foreign exchange costs and \$95,400 equivalent of the local currency costs, which include consultants; equipment; seminars, training, and workshops; document preparation; contract negotiations; interpreters and translators; and office support staff. The TA will be financed by ADB on a grant basis from the ADB-funded TA program. The Government will provide local currency costs equivalent to \$104,100 through the provision of in-kind professional counterpart staff, transport, and office services. Detailed cost estimates are given in Appendix 2.

#### **D. Implementation Arrangements**

17. MAWR will be the Executing Agency for the TA. The economist-team leader will have expertise in aid coordination and public investment programming, and will report to and work in close collaboration with MAWR's deputy minister of economics and investment, and will work closely with

the staff of DOI and APCU to facilitate the mainstreaming of the aid coordination and management, and public investment programming functions currently undertaken by APCU. He/she will work closely with consultants under TAs 3204, 3382, and 3347, as well as with staff under EUFSP to facilitate effective coordination. The team leader will provide technical support to DOI and APCU staff, and will provide a facilitation role and on-the-job training to support the accomplishment of the expected results.

18. The engagement of consulting services will be in accordance with ADB's *Guidelines on the Use of Consultants* and other arrangements for the selection of domestic consultants. Both the international and domestic consultants will be recruited for 15 person-months each. Individual consultants will be recruited; this will speed up recruitment and minimize any disruption between the end of TA 3035 (December 1999) and the start-up of the current TA. The terms of reference for the consultants are set out in Appendix 3.

19. The equipment, comprising three sets of computers and printers, and a photocopier, will be procured locally by the consultant in accordance with arrangements acceptable to ADB. The seminars and training arrangements will be determined following the assessment of training needs. It is expected that seminars/workshops will be conducted on a quarterly basis to bring together staff of MAWR, Goscominvest, and MOF. In addition, skills training will be conducted on a more regular basis. It is anticipated that a local training specialist could be recruited on a part-time basis to conduct this training with the team leader.

20. The TA will be undertaken over 15 months and is expected to commence in June 2000. An inception report will be submitted at the end of the first month, and will include a review of the situation, a plan of action to meet the required outputs, and a revised TA framework to facilitate TA monitoring. The consultants will submit biannual progress reports. A draft final report covering TA accomplishments, major issues, and future action required will be submitted at the end of 12 months. A tripartite review meeting will be held at inception, after 6 months, and prior to TA completion. Following the tripartite review meeting on the draft final report and comments from both the Government and ADB, the final report will be prepared and submitted at the end of 15 months. The TA is expected to be completed in August 2001.

21. MAWR will provide counterpart staff, office accommodation, and all relevant reports and information that the consultants may reasonably require to carry out their services. MAWR will provide appropriate staffing for DOI to ensure the effective mainstreaming of the aid coordination and management, and public investment programming functions.

22. The success of the TA is dependent on the extent of cooperation and effective coordination with other external funding agencies, ADB activities, and MAWR budget resources. It is expected that within the ADB activities, close coordination and cooperation can be developed. However, there is a high degree of risk associated with the MAWR budget, which is presently dependent on support under the EUFSP. The removal of EUFSP support would significantly hinder the effective linkage of the public investment program with the budget. Mitigation effects for such an event are beyond the control of the TA.

#### **IV. THE PRESIDENT'S DECISION**

23. The President, acting under the authority delegated by the Board, has approved the provision of technical assistance, on a grant basis, to the Government of the Kyrgyz Republic in an amount not exceeding the equivalent of \$585,000 for the purpose of Capacity Building in the Ministry of Agriculture and Water Resources (Phase II), and hereby reports such action to the Board.

### TECHNICAL ASSISTANCE FRAMEWORK

Design Summary	Performance Indicators/Targets	Monitoring Mechanisms	Assumptions and Risks
<p><b>Goal</b> To strengthen the Ministry of Agriculture and Water Resources' (MAWR) capability to support the development of a market-based agriculture sector</p> <p><b>Purpose</b> To consolidate and expand a mechanism for preparing, implementing, and monitoring of a public investment program (PIP) for the agriculture sector</p> <p><b>Outputs</b></p> <p><b>1. Agriculture Sector Investment Program</b></p> <p>1.1 Annual PIP prepared</p> <p>1.2 MAWR capital and recurrent budget and PIP integrated</p> <p>1.3 Effective implementation, monitoring, and reporting system operational</p> <p>1.4 Systems, methods, and procedures for planning, implementing, monitoring, and reporting of PIP are agreed to by MAWR staff and documented</p>	<p>MAWR performs role and functions with minimal technical assistance (TA)</p> <p>MAWR's performance comparable with more developed member country agricultural institutions</p> <p>Directorate of Investment takes responsibility for aid coordination and public investment programming</p> <p>PIP accepted by MAWR, MOF, and Goscominvest</p> <p>Documentation integrating PIP and budget accepted by MAWR and MOF</p> <p>Quarterly reports produced and used by management</p> <p>Manual of operations approved and in use</p>	<p>Level of technical assistance support to MAWR</p> <p>TA completion report</p> <p>Annual publication</p> <p>TA completion report</p> <p>TA progress report</p> <p>TA completion report</p> <p>TA progress report</p> <p>TA completion report</p> <p>Manual circulated</p> <p>TA progress report</p> <p>TA completion report</p>	<p>MAWR has resources to undertake functions effectively</p> <p>Goscominvest and the Ministry of Finance (MOF) cooperation continues</p> <p>MAWR has resources to retain staff or funding can be sourced elsewhere</p> <p>European Union Food Security Program support for budget restructuring continues and is successful</p> <p>Regular review and modifications made to accommodate changes</p>

(Reference in text: page 1; para. 1)



Design Summary	Performance Indicators/Targets	Monitoring Mechanisms	Assumptions and Risks
<b>2. Organizational Development</b>			
2.1 Recommended organizational changes adopted for more effective aid coordination and management, public investment programming, and budget processing	<p>Framework plan prepared and agreed to by the Government</p> <p>Recommendations adopted by MAWR</p> <p>Interdepartmental committee on aid coordination and management meets regularly</p>	<p>Copy of plan</p> <p>TA progress reports</p> <p>TA completion report</p>	<p>Government supports proposed changes</p>
2.2 More effective cooperation and coordination with MOF and Goscominvest	<p>Interministerial committee established meets regularly</p>	<p>TA progress reports</p> <p>TA completion report</p>	<p>Support for capacity building in Goscominvest and MOF continues and is successful</p> <p>Cooperation with TA 3204<sup>1</sup> and TA 3382<sup>2</sup> can be established and development of linkages facilitated</p>
2.3 Recommendations made for the development of links and information exchange between national, oblast, and raion level administrations	<p>Recommendations considered and adopted for implementation</p>	<p>TA progress reports</p> <p>TA completion report</p>	<p>Cooperation with TA 3347<sup>3</sup> can be established and development of linkages facilitated</p>
<b>3. Training Program</b>			
3.1 Trained staff in project planning, implementation, monitoring, and reporting activities	<p>About 10 staff from the Directorate of Investment and other directorates trained in aid coordination and public investment programming</p> <p>Staff tested and retrained if necessary</p>	<p>TA progress reports</p> <p>TA completion report</p>	<p>Staff are available and willing to complete training and remain in positions</p> <p>English training conducted under the Swiss Agency for Development and Cooperation support</p>

<sup>1</sup> TA 3204-KGZ: *Strengthening Aid Coordination and Management*, for \$124,000, approved on 9 June 1999.

<sup>2</sup> TA 3382-KGZ: *Strengthening Capacity in the Ministry of Finance for Financial Management and Planning of the Public Investment Program*, for \$463,500, approved on 28 December 1999.

<sup>3</sup> TA 3347-KGZ: *Institutional Strengthening in Planning and Management of Agricultural Development*, for \$800,000, approved on 20 December 1999, attached to Loan 1726-KGZ: *Agriculture Area Development*, for \$36 million.

Design Summary	Performance Indicators/Targets	Monitoring Mechanisms	Assumptions and Risks
<p><b>Activities</b></p> <p>1.1 Work plan prepared and agreed to</p> <p>PIP produced and circulated</p> <p>1.2 Working relationship with the European Union Food Security Program established</p> <p>1.3 Existing monitoring system reviewed and modified accordingly to meet user requirements</p> <p>1.4 Existing situation reviewed and recommendations for changes agreed to</p> <p>Manual of new arrangements prepared and circulated</p> <p>2.1 Existing situation reviewed and recommendations for changes made</p> <p>Recommendations discussed and agreed with MAWR</p> <p>2.2 Existing situation reviewed and recommendations for improving linkages made</p> <p>Links with TAs 3204</p>	<p><b>Costs (\$)</b></p> <p>Foreign exchange 489,600</p> <p>Local currency 199,500</p> <p>Total 689,100</p> <p><b>ADB Financing</b></p> <p>Foreign exchange 489,600</p> <p>Local currency 95,400</p> <p>Total 585,000</p> <p><b>Government Financing</b></p> <p>Local currency 104,100 (In-kind)</p>		<p>MAWR has resources to continue activities</p>

Design Summary	Performance Indicators/Targets	Monitoring Mechanisms	Assumptions and Risks
and 3382 established			
<p>Interministerial committee reviews recommendations and agrees on changes</p> <p>2.3 Links with TA 3347 established</p> <p>Working arrangements for exchange of information agreed</p> <p>3.1 Needs identified</p> <p>Participants identified and trained</p> <p>Training evaluated</p>			

**COST ESTIMATES AND FINANCING PLAN**  
(\$'000)

Item	Foreign Exchange	Local Currency	Total Cost
<b>A. Asian Development Bank Financing</b>			
1. Consultants (Remuneration and Out-of-Pocket Expenses)			
a. International Consultants	347.10	0.00	347.10
b. Domestic Consultants	0.00	51.25	51.25
2. Equipment	9.00	0.00	9.00
3. Transport	12.00	0.00	12.00
4. Seminars, Workshops, and Training	60.00	15.00	75.00
5. Studies, Surveys, and Documents	1.50	0.00	1.50
6. Miscellaneous TA Administration and Support Costs	9.00	24.00	33.00
7. Contingency	51.00	5.15	56.15
<b>Subtotal (A)</b>	<b>489.60</b>	<b>95.40</b>	<b>585.00</b>
<b>B. Government Financing</b>			
1. Counterpart Staff	0.00	55.50	55.50
2. Support Services	0.00	48.60	48.60
3. Contingency	0.00	0.00	0.00
<b>Subtotal (B)</b>	<b>0.00</b>	<b>104.10</b>	<b>104.10</b>
<b>Total</b>	<b>489.60</b>	<b>199.50</b>	<b>689.10</b>

(Reference in text: page 4, para. 16)

## TERMS OF REFERENCE FOR CONSULTANTS

### A. Economist-Team Leader (15 person-months)

1. The economist-team leader will work in close consultation with the staff of the Agricultural Projects Coordination Unit (APCU) of the Ministry of Agriculture and Water Resources (MAWR); with the European Union Food Security Program technical assistant on the budget process; with the consultants for the Asian Development Bank (ADB)-funded technical assistance (TA): Strengthening Aid Coordination and Management in Goscominvest, Strengthening Capacity for Financial Management and Planning of the Public Investment Program in the Ministry of Finance (MOF), and Institutional Strengthening in Planning and Management of Agricultural Development in the Chui Oblast Administration in developing formal institutional links.

2. The consultant will perform the following tasks:

- (i) Provide advice and assistance to MAWR, particularly the Directorate of Investment on aid coordination and public investment programming.
- (ii) Provide technical advice to APCU in its day to day operations.
- (iii) Help prepare the annual public investment program and ensure integration with the budget process.
- (iv) Help develop an effective computerized monitoring and reporting system.
- (v) Provide assistance to address major problems/issues arising from the implementation of development projects, and improve the overall capacity of MAWR to more effectively implement these activities.
- (vi) Review the organizational arrangements within MAWR for aid coordination and management, budget processing, and public investment programming, and make recommendations for appropriate change.
- (vii) Help establish more effective cooperation and coordination between MAWR and the Ministry of Finance for public investment programming, and with Goscominvest for planning, monitoring, and reporting on development activities.
- (viii) Review and make recommendations for the development of stronger links and information exchange between the national, oblast, and raion levels of administration for agriculture planning, implementation, and monitoring.
- (ix) Work in close cooperation with the consultants under TA 3204,<sup>1</sup> TA 3382,<sup>2</sup> and TA 3347<sup>3</sup> to facilitate effective coordination under tasks (vii) and (viii).

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<sup>1</sup> TA 3204-KGZ: *Strengthening Aid Coordination and Management*, for \$124,000, approved on 9 June 1999.

<sup>2</sup> TA 3382-KGZ: *Strengthening Capacity in the Ministry of Finance for Financial Management and Planning of the Public Investment Program*, for \$463,500, approved on 28 December 1999.

<sup>3</sup> TA 3347-KGZ: *Institutional Strengthening in Planning and Management of Agricultural Development*, for \$800,000, approved on 20 December 1999, attached to Loan 1726-KGZ: *Agriculture Area Development Project*, for \$36 million.

- (x) In consultation with staff of MAWR, MOF, and Goscominvest, clearly document all systems, methods, and procedures for aid coordination and management and public investment programming.
- (xi) Identify staff training needs to facilitate mainstreaming of aid coordination and management, and public investment programming, and identify and develop appropriate training, including on-the-job training.
- (xii) Facilitate the conduct of workshops, meetings, and seminars for preparing the public investment program, monitoring and reporting, and aid coordination.
- (xiii) Submit inception, progress, draft final, and final reports to the Government and ADB on TA progress, identifying key issues and means of addressing them, and recommendations for further development.
- (xiv) Participate in the tripartite reviews with the Government and ADB.

**B. Domestic Consultant (15 person-months)**

3. A domestic consultant will be recruited to assist the international consultant with all tasks outlined in para. 2.