

**ASIAN DEVELOPMENT BANK**

**TAR:CON 37119**

**TECHNICAL ASSISTANCE**

**FOR THE**

**2003/04 SEMINARS ON**

**CAPACITY BUILDING FOR PROJECT**

**IMPLEMENTATION AND ADMINISTRATION**

**June 2003**

## **ABBREVIATIONS**

ADB	–	Asian Development Bank
DMC		developing member countries
EA	–	executing agency
TA	–	technical assistance

## **NOTE**

In this report, "\$" refers to US dollars.

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## I. INTRODUCTION

1. Since 1978, the Asian Development Bank (ADB) has helped borrowers and executing agencies (EAs) strengthen their capabilities to manage the implementation of projects through regional and country training programs on project implementation and administration. By the end of 2002, ADB had conducted 174 training programs under regional technical assistance (TA) grants. A total of 5,320 senior and middle-level officials of EAs, central ministries, and state banks from 30 developing member countries (DMCs) have participated in these training programs.

## II. ISSUES

2. Two core governance activities that cut across all sectors and on which ADB will focus in the medium term are capacity building and policy reform. Training programs provided under this TA<sup>1</sup> are part of a systematic and long-term approach to capacity building for project implementation in DMCs. The TA fulfills two capacity building activities: institution strengthening and human resource development. The training programs also indirectly support other governance activities such as accountability, transparency, and anticorruption efforts.

3. Current initiatives to improve portfolio management emphasize DMC ownership of projects and capabilities for project implementation. The ability to implement projects efficiently and economically depends on the knowledge, skills, and experience of the staff of project EAs. Many DMC personnel have acquired substantial experience in project implementation over the years. However, further practical and regular training in procurement and administration of other project implementation activities is needed to (i) familiarize new EAs that are entrusted with implementing ADB-assisted projects and are from new borrowing member countries or DMCs that may have previously borrowed from ADB, but are not yet fully familiar with the *Guidelines for Procurement*, *Guidelines on the Use of Consultants*, disbursement procedures, and other associated project implementation and administration procedures; and (ii) train EAs that have administered ADB-assisted projects but may need to transfer and replace staff of ongoing ADB-assisted projects, acquire new staff for new projects, or both. ADB needs to introduce project managers, especially those newly appointed, to the latest concepts and techniques of project implementation and administration, and to the guidelines, policies, and procedures on procurement, consulting services and disbursements; and to share with them the lessons learned from earlier projects.

4. Country portfolio review missions routinely determine that delays in project implementation are, to a large extent, caused by a lack of understanding of, and unfamiliarity with, ADB's requirements and guidelines. The TA training programs are designed to address these deficiencies by upgrading project implementation skills of EA personnel and to improve familiarity with, and application of, the guidelines, policies, and procedures on procurement, consulting services, and disbursements.

5. Evaluation and feedback from past seminars indicate that the training programs successfully strengthen participants' professional skills and increase their understanding of ADB's requirements relating to the implementation and administration of projects. The structure and content of the seminars are being continually revised and improved based on suggestions from participants and in response to the changing needs of EAs and ADB. The TA framework is presented in Appendix 1.

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<sup>1</sup> The TA first appeared in *ADB Business Opportunities* in March 2003.

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

#### **A. Purpose and Output**

6. The seminars in the program will provide project directors, managers, and other key staff of EAs with an understanding of modern principles and techniques of project management and implementation, and will familiarize them with ADB's guidelines and procedures for the procurement of goods and works, selection and engagement of consultants, disbursements, and other associated activities. The seminars will also provide the trainees with a valuable opportunity to share with and learn from the experience of participants from other sector organizations within a DMC or, in the case of regional seminars, from other DMCs within the region, thereby supporting regional cooperation.

#### **B. Methodology and Key Activities**

7. Two regional and eight country seminars on project implementation and administration will be conducted during June 2003 to May 2004.

8. One regional seminar will be held at ADB's headquarters in Manila and the other in one of the Central Asian Republic countries. The regional seminars follow in principle the same format as the country seminars. The only difference is that, due to the availability of ADB staff, additional presentations are offered during the regional seminar at ADB headquarters. The regional seminar at ADB Headquarters will last 10 days while the regional seminar for the Central Asian Republics will be for 9 days. Newly appointed project directors and senior policy-makers of central agencies will be selected to form the target group.

9. The eight country seminars, each of which will last 9 days, will address and take place at the country level. In general, the seminars will cover a broad range of activities related to project implementation.

10. The country seminars are envisaged for the People's Republic of China, Indonesia, India, Lao People's Democratic Republic, Nepal, Pakistan, Philippines, and Viet Nam. Countries selected include (i) DMCs in which loans approved in 2002 involved new implementing EAs, (ii) DMCs receiving a large number of loans annually, (iii) DMCs that requested inclusion, and (iv) DMCs that Country Portfolio Review Missions determined to need the seminar. The scope and content of the country seminars will be similar to those of the regional seminars (para. 8). Cross-cutting issues will be covered but only in general terms because of constraints in arranging for staff specialists to travel to the selected DMCs. The target group will consist of project managers and middle-level project staff.

#### **C. Cost and Financing**

11. The total cost of the TA is estimated at \$600,000 equivalent, which will support the two regional and eight country seminars. The detailed cost estimates are shown in Appendix 2. This TA will be financed on a grant basis by ADB's TA-funding program.

## **D. Implementation Arrangements**

12. The Central Operations Services Office will implement the TA. Nominations of participants will be solicited from ADB's regional departments administering ADB-funded projects in the selected DMCs. A list of ADB-recommended nominees will then be submitted to the governments for their consideration and endorsement. Letters of no objection from each of the DMCs will be obtained prior to initiation of the TA in the DMC.

13. The seminars will focus on the responsibilities of project managers to plan, organize, provide resources, budget, schedule, direct, monitor, control, and evaluate project implementation. The program will follow the sample seminar outline shown in Appendix 3. The methods of instruction will include lectures, case studies, class exercises, and workshops. The seminars will be carried out in the English language. For the country seminars, the resource persons may be assisted by interpreters where necessary. The lectures will deal with project implementation concepts and systems, including explanations for adapting them to the local setting. The case studies will analyze problem situations and the decision-making process. The exercises will test and reinforce the participants' abilities to apply implementation tools and techniques in relation to the types of projects assisted by ADB. An important feature of each seminar will be a workshop on the problems and issues the participants have encountered in their projects.

14. Invitations will be extended to project directors and managers, and to other key staff from the EAs of ADB-assisted projects. As far as possible, they will be drawn from projects that are at the inception stage. Selected policy-makers from central agencies involved in the formulation of financial and procurement regulations will be encouraged to participate. About 40 participants for each regional seminar and 30 participants for each country seminar will be selected in consultation with ADB's regional departments and resident and regional missions. All of the seminars will be held during June 2003 to May 2004. The resource persons for the country and regional seminars will be ADB staff, particularly procurement and consulting services specialists from Central Projects Services Office and staff from the Controller's Department.

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

15. The President, acting under the authority delegated by the Board, has approved the provision of technical assistance not exceeding the equivalent of \$600,000 on a grant basis for the 2003/04 Seminars on Capacity Building for Project Implementation and Administration, and hereby reports this action to the Board.

## TECHNICAL ASSISTANCE FRAMEWORK

Design Summary	Performance Indicators/Targets	Monitoring Mechanisms	Assumptions and Risks
<b>Goal</b> Improve the quality of project implementation in developing member countries (DMCs).	Percentage of DMC project portfolio rated "at risk" by 2005 reduced significantly compared to baseline at end of 2002.	<ul style="list-style-type: none"> <li>• Reports of country portfolio review missions</li> <li>• Reports of Project Performance Reports</li> </ul>	<ul style="list-style-type: none"> <li>• Project implementation schedules unrealistic</li> <li>• Corrupt practices</li> <li>• Political instability</li> <li>• Natural disasters</li> </ul>
<b>Purpose</b> Upgrade the project Implementation skills of executing agency personnel and improve their familiarity with Asian Development Bank policies and procedures related to project implementation and administration.	Provide new project directors, managers, and other key staff of executing agencies with modern principles, techniques, and documentation for project implementation and administration and familiarize them with ADB's guidelines and procedures related to project implementation and administration.	<ul style="list-style-type: none"> <li>• Reports of country portfolio review missions</li> <li>• Reports of review mission</li> </ul>	<ul style="list-style-type: none"> <li>• Caliber of personnel from DMCs nominated to participate in the training programs</li> <li>• Quality and useability of documentation</li> </ul>
<b>Outputs</b> <ul style="list-style-type: none"> <li>• Two regional seminars on project implementation and administration in Manila</li> <li>• Eight country seminars on project implementation and administration</li> </ul>	<ul style="list-style-type: none"> <li>• 40 participants consisting of project directors and senior policy makers from DMCs to be trained for each seminar</li> <li>• 30 participants consisting of project managers and middle-level project staff to be trained for each seminar</li> </ul>	<ul style="list-style-type: none"> <li>• Seminar attendance and post seminar evaluations by participants</li> <li>• Back-to-office reports</li> </ul>	<ul style="list-style-type: none"> <li>• Caliber of personnel nominated by DMCs</li> <li>• Participants will apply concepts, policies, procedures, and guidelines to on-going projects in their areas of responsibility</li> </ul>
<b>Activities</b> <ul style="list-style-type: none"> <li>• Planning and design of seminar including proposed budget, scope, and venue</li> <li>• Selection of participants and resource persons for seminar</li> <li>• Implementation of seminars</li> </ul>	As per Project Coordination and Procurement Division internal planning and scheduling	<ul style="list-style-type: none"> <li>• Post seminar evaluations by participants</li> <li>• Project Coordination and Procurement Division internal reports</li> <li>• Procurement cooperation group review</li> </ul>	<ul style="list-style-type: none"> <li>• Suitable facilities are available within budget constraints, when needed</li> <li>• ADB resource personnel are available to support seminars, when scheduled</li> <li>• Sufficient numbers of appropriate DMC personnel are available to participate</li> </ul>

<b>Design Summary</b>	<b>Performance Indicators/Targets</b>	<b>Monitoring Mechanisms</b>	<b>Assumptions and Risks</b>
<b>Inputs</b>  Resource persons consisting of Bank staff from Consulting Services Division, Project Coordination and Procurement Division, Controller's Department, and other concerned departments	<b>Resources</b>  Approximately \$379,000 for two regional seminars, and \$221,000 for the eight country seminars Total: \$600,000		

# **COST ESTIMATES AND FINANCING PLAN** (**\$**)

<b>Item</b>	<b>Total Cost</b>
<b>A. Regional Seminars<sup>a</sup></b>	
1. Travel of Participants	129,000
2. Hotel Accommodation of Participants	106,000
3. Per Diem of Participants	81,000
4. Representation	13,200
5. Others (communications, seminar materials, facilities, etc.)	43,600
6. Contingencies	6,200
<b>Subtotal (A)</b>	<b>379,000</b>
<b>B. Country Seminars<sup>b</sup></b>	
1. Travel of ADB staff	33,400
2. Per Diem of ADB staff	35,400
3. Participants' Incidental Costs <sup>c</sup>	32,200
4. Representation	59,700
5. Others (communication, materials, facilities, etc.)	38,500
6. Contingencies	21,800
<b>Subtotal (B)</b>	<b>221,000</b>
<b>Total</b>	<b>600,000</b>

ADB = Asian Development Bank.

<sup>a</sup> Section A incorporates cost estimates for two regional project implementation and administration seminars for 10 days with 40 participants.

<sup>b</sup> Section B incorporates cost estimates for eight country project implementation and administration seminars at 9 days and 30 participants each.

<sup>c</sup> Participants in country seminars do not receive per diems. A flat sum of \$15 per day is provided to meet incidental expenses.

Source: Asian Development Bank estimates.

## **SAMPLE OUTLINE FOR SEMINARS ON PROJECT IMPLEMENTATION AND ADMINISTRATION**

- Module 1: The Project Cycle and the Role of the Asian Development Bank in Project Implementation
- ADB's Strategic Development Objectives
  - Report of the Task Force on Improving Project Quality (Implications for Project Implementation)
  - Project Identification and ADB Programming Exercises
  - Project Development and Particular Issues (Environment, Gender and Development)
  - Project Implementation and ADB's Role
- Module 2: ADB's Guidelines on Consultant Recruitment
- Principles and Procedures
  - Preparation of Invitation Documents
  - Evaluation of Technical Proposals
  - Contract Negotiations
- Module 3: ADB's Guidelines on Procurement
- Principles and Procedures
  - Packaging of Bids and Grouping of Contracts
  - Prequalification
  - Preparation of Tender Documents
  - Bid Evaluation
- Module 4: Disbursement
- Policies and Regulations
  - Procedures
- Module 5: Overview of Project Administration Procedures
- Responsibilities and Reporting Requirements
  - Use of Project Framework
  - Impact Assessment and Project Monitoring/Project Performance Management System
  - Contract Administration
- Module 6: Workshop on Project Implementation: Analysis of Project Implementation Problems-Issues and Solutions