

ASIAN DEVELOPMENT BANK

TAR:UZB 35015

TECHNICAL ASSISTANCE

TO THE

REPUBLIC OF UZBEKISTAN

FOR PREPARING

A COMPREHENSIVE MEDIUM-TERM STRATEGY

FOR IMPROVING THE LIVING STANDARDS

OF THE PEOPLE OF UZBEKISTAN

November 2001

CURRENCY EQUIVALENTS

(as of 6 November 2001)

Currency Unit	=	Sum
SUM1.00	=	\$0.0014686
\$1.00	=	SUM680.90

ABBREVIATIONS

ADB	–	Asian Development Bank
ADBI	–	Asian Development Bank Institute
CER	–	Center for Economic Research
GDP	–	gross domestic product
IC	–	interministerial committee
M&E	–	monitoring and evaluation
SDoS	–	State Department of Statistics
TA	–	technical assistance
UNDP	–	United Nations Development Programme
WB	–	World Bank
WG	–	working group

NOTE

In this report, “\$” refers to US dollars.

I. INTRODUCTION

1. In March 2001, the Government of Uzbekistan and the Asian Development Bank (ADB) reached an agreement on a new technical assistance (TA) that will support the Government in preparing a comprehensive medium-term strategy for improving the living standards of the people of Uzbekistan, with special focus on the low-income, vulnerable, and socially excluded groups.¹ The components, technical requirements, and implementation arrangements of the TA were discussed with various stakeholders in Uzbekistan.

II. BACKGROUND AND RATIONALE

2. Compared with the other Central Asian countries, Uzbekistan experienced a milder output decline at a shorter time frame and less abrupt changes in socioeconomic trends since its independence in 1991. Output contraction in the first half of the 1990s was 20 percent, whereas that in the other Central Asian countries averaged 50 percent. Growth was positive between 1996 and 2000; for 2001, a modest growth rate of 3 percent is projected. Moreover, because the Government maintained a fairly stable social expenditure-to-gross domestic product (GDP) ratio, the human development index improved during the 1990s.²

3. The challenge for the Government in the new millennium is how to consolidate and build from these gains while addressing the emerging signs of deteriorating quality of life. In 1999, families in need of social assistance, or those whose average per capita income was 1.5 times the official minimum monthly wage of SUM1,320 or lower, numbered about half a million (14 percent of total number of families).³ Regional disparities have become more distinct. Only 8 of the 27 geopolitical divisions (14 territorial administrative units, 12 regions, and Tashkent City) accounted for nearly three fourths of the country's GDP in 1999. Unemployment is also high, especially in the rural areas, which is placed at 20 percent. Access to quality and reasonably priced social infrastructure and other social assistance measures for the most vulnerable groups is becoming more inadequate as the Government, with its limited budget, is constrained in extending more financial support. The poor quality of health services compounded by inadequate municipal services, particularly the acute lack of potable water facilities, has had deleterious effects on the quality of life, especially among the rural populace residing in the drought and environmentally affected areas (e.g., Karakalpakstan).

¹ The TA first appeared in *ADB Business Opportunities*, Internet Edition, on 15 January 2001.

² ADB. 2001. *Country Strategy and Program Update (2002-2004)- Uzbekistan*. pp. 2 and 11; ADB. 2001. *Women in the Republic of Uzbekistan*. Country Briefing Paper. pp. 1-3.

³ There is at present no official poverty line in Uzbekistan but several studies done by international funding agencies and nongovernment organizations indicate that the level of poverty may be higher. The Human Development Report (1999) of the United Nations Development Programme (UNDP), which defined the poverty threshold based on a basket of goods for the lowest 10 percent of income groups, estimated poverty incidence at 21 percent of total families in 1998. If the \$2.15 per capita expenditure per day is used, the poverty threshold that is applied to compare the Central Asian economies (World Bank. 2000. *Making Transition Work for Everyone- Poverty and Inequality in Europe and Central Asia*. Washington, D.C: World Bank. p. 3), poverty incidence in 1997 was 39 percent for Fergana, one of the better-off regions in the country (Andersen, K. 2001. *Analysis of Poverty and Household Expenditure in Central Asia- 1993-1999*. forthcoming). If severe poverty is based at \$1.075 per day as the threshold (Andersen, p. 5), 14.2 percent of Uzbekistan's households would be considered as very poor. A survey that used self-ranking estimates of poverty line puts the poverty incidence much higher at 40-80 percent in 1998 (cited in ADB. 2001. *Women in the Republic of Uzbekistan*. pp. 4-5.).

4. To address these emerging issues, the Government has initiated several macroeconomic and sectoral reforms that will allow more private sector participation and economic expansion as well as support better living standards of the people and vulnerable groups. The reforms include measures such as the privatization of small and medium enterprises, partial liberalization of the cash market for foreign exchange, development of microfinance and credit union policies, and measures that strengthen the social protection policies for mothers and children and health care reforms.

5. Some initiatives under way will also provide a more accurate picture of the poverty situation in the country. The World Bank's (WB) Living Standard Assessment Project, which started in November 2001, will give a deeper understanding of the multifaceted features and the root causes of poverty. A new household budget survey was introduced nationwide in 2001 to replace the old household budget survey used since the Soviet time.

6. At this stage, the Government needs to design a comprehensive strategy that will serve as its guide in consolidating the gains achieved in the past decade while addressing the poverty issues. The priority issues identified by the Government are (i) labor market and employment analysis, (ii) policy on income generation, (iii) living standard indicators, (iv) social assistance for the vulnerable and social protection for all, (v) regional aspects of living standards, and (vi) human development.

7. The TA is being proposed to assist the Government in formulating a comprehensive medium-term strategy for improving the living standards of the low-income, vulnerable, and socially excluded groups.

III. THE TECHNICAL ASSISTANCE

A. Objective

8. The long-term goal of the TA is to reduce poverty in Uzbekistan through the formulation and implementation of a comprehensive medium-term strategy for improving the living standards of the people, particularly the low-income, vulnerable, and socially excluded segments of its society. The objective of the TA is to support the Government in preparing this medium-term strategy, ensuring broad-based participation of the major stakeholders in the strategy formulation process. The TA framework is in Appendix 1.

B. Scope

9. The TA will have three components: (i) strategy planning and formulation, (ii) statistical component, and (iii) training and capacity building on pro-poor growth strategies and social policy for key policy makers.

10. The specific activities under the strategy planning and formulation component are as follows: (i) assess pertinent government legal documents and programs as well as currently available data and other relevant research studies and information related to the improvement of living standards; (ii) conduct special studies and policy analysis on the six priority areas of concern identified by the Government (para. 6); (iii) hold participatory consultations, focused group discussions, and other modes of participatory approaches to identify concerns and determine the role of stakeholders in implementing the strategy; (iv) draft and formulate the medium-term strategy (named Strategy 2010 by

the Government) including the action, budget, and communication plans; (v) address cross-cutting topics like gender dimensions and governance and macroeconomic impediments to sustainable growth and inclusive social development; and (vi) develop a web site that will serve as the repository of all data, documents, and materials gathered and studies conducted under the strategy formulation component. The major output of this exercise is the Strategy 2010 report. Complementary outputs will be the technical reports, studies, and other analytical papers on the priority issues identified by the Government. A web site will also be created to disseminate the information generated from this component.

11. The TA will support a study of one region that will examine, among others, the role of local governments and local self-managed committees (*mahallas*) in addressing living standard issues. The United Nations Development Programme (UNDP) is interested in parallel financing a similar study for another region. These studies will be used to pilot-test a living standard strategy for one region.

12. The specific activities under the statistical component include (i) developing a methodology for and a set of living standard indicators that will be adopted by all Government agencies; (ii) developing appropriate approaches on targeting assistance to the low-income, vulnerable, and socially excluded groups; (iii) improving the labor market survey module in the new household budget survey; (iv) integrating qualitative and sociological (participatory) information into the new household budget survey methodology;⁴ and (v) designing a monitoring and evaluation (M&E) system that will become the basis for gauging the government's performance in reducing poverty.⁵ Cross-cutting themes, particularly gender and governance, will be incorporated. The outputs of this component will be (i) a common database on living standards that will serve as the indicators and parameters for assessing living standards in the country and the performance of the poverty reduction measures; (ii) approaches to targeting assistance; and (iii) a M&E system.

13. The work in the statistical component will be coordinated closely with the Living Standard Assessment to be conducted by WB in November 2001. This will avoid unnecessary duplication of efforts and ensure the generation of income and nonincome living standard indicators.

14. The TA will support the training and capacity building needs of the members of the interministerial committee (IC) and the working groups (WGs) on living standard strategy formulation and policy analysis. Some topics to be included in training are the various development approaches (e.g., market-based and pro-poor growth) and issues (especially gender and governance), private sector development, analytical tools in public policy and budget management, governance, and quantitative and qualitative methodologies for generating nonincome indicators.

⁴ There are various ways of generating the qualitative (or nonincome) data on poverty: use of focused group discussions, key informant interviews, case study analysis, self-rank poverty assessments, and incorporation of some questions in the household budget survey. The methodologies that will be applied and the corresponding resources that these will entail will be some of the concerns that the TA will address under this component.

⁵ This will build on the work that is currently being done on a pilot basis by the Center of Economic Research, with financial support from the Department for International Development under its Social Development Research and Capacity Building program.

C. Cost Estimates and Financing Plan

15. The estimated TA cost is \$1,150,000 equivalent of which \$560,000 is the foreign exchange cost and \$590,000 is the local currency cost. ADB will finance \$800,000 equivalent (\$560,000 in foreign exchange and \$240,000 in local exchange). ADB will finance the TA on a grant basis, with funds from the ADB-funded TA program. The Government's contribution of \$350,000 equivalent, will cover office rent, transport, remuneration and per diem costs of government officials and counterpart staff representatives, the conduct of the living standard household budget survey, additional studies, and portions of the cash outlays for the conduct of the workshops and seminars. Appendix 2 shows the breakdown of the cost estimates and financing plan.

D. Implementation Arrangements

16. The Cabinet of Ministers will be the Executing Agency for the TA and the Implementing Agencies will be the (i) IC for the strategy planning and formulation component, (ii) State Department of Statistics (SDoS) for the statistical component, and the (iii) Center for Economic Research (CER) for the training and technical capability component. Before the start of the TA, the Government will issue a resolution creating an IC and seven WGs that will take charge of the component on strategy planning and formulation. The head of the Information and Analytical Department will chair the IC. The IC will be responsible for writing and disseminating the strategy document and the working papers, and will oversee implementation in the first year.

17. Seven WGs will be established, six of which will be organized according to the six priority areas (para. 6) that were identified by the Government. They are the WGs on (i) labor market and employment, (ii) income generation, (iii) consumer basket and living standard indicators, (iv) regional aspects of living standards, (v) social assistance (for the vulnerable) and social protection (for all), (vi) human development, and (vii) the WG on strategy formulation. The WGs will work closely with the IC in the strategy planning and formulation component. The chairs of the WGs will be Government representatives appointed by the IC, and the members will represent multisectors. Each WG will conduct an analysis of its area of concern; prepare technical studies and other analytical papers; and develop action, budget, and communication plans. Each WG will use consultation meetings and other participatory processes to determine the needs and concerns of the low-income, vulnerable, and socially excluded groups. Their work will be integrated in the comprehensive medium-term strategy report, and will be posted in the web site that will be lodged in the Social Policy Department of the Ministry of Macroeconomics and Statistics. The consultants will work closely with the WGs and the IC by providing technical analysis, studies, and policy and institutional recommendations.

18. The SDoS will oversee the implementation of the statistical component, ensuring complementation and strong collaborative work with WB's Living Standard Assessment Project on the living standard indicators.⁶ The consultants for this component will work closely with SDoS in identifying the living standard (quantitative and qualitative) indicators that will also be used for monitoring and evaluating the poverty reduction measures and will be incorporated in the household survey; improving the labor survey module of the household budget survey; and giving training in the use of the improved

⁶ Concerted efforts of ADB and WB in this TA will ensure efficient and effective generation of living standard-related data.

survey design. SDoS will conduct the improved survey. The consultants will also assist the WG on the consumer basket and living standard indicators in developing the living standard indicators for use by all Government agencies and the institutional mechanisms for monitoring and evaluating the poverty reduction measures.

19. The CER, together with the consultant, will develop a training and capacity building plan for the members of the IC and the WGs. The plan is to be approved by ADB. For this component, ADB may also coordinate with the Asian Development Bank Institute (ADBI) in providing additional financing for specialized seminars and conferences on strategy formulation for high-level policy makers, using regional and international experiences.

20. Consulting services for 68 person-months are required (15 for international and 53 for domestic consultants). The international and domestic consultants will be engaged through a firm under the simplified technical proposal procedure, in accordance with ADB's *Guidelines on the Use of Consultants* and other arrangements satisfactory to ADB for engaging domestic consultants.⁷ Procurement of equipment by the consultants will follow ADB's *Guidelines on Procurement*. Because of the importance the Government gives to the strategy formulation process, the Government and ADB will closely supervise the consultants' work. The consultants are expected to begin work in January 2002 and will complete their assignment by 31 December 2002. The outline terms of reference are in Appendix 3.

IV. THE PRESIDENT'S DECISION

21. 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 Uzbekistan in an amount not exceeding the equivalent of \$800,000 for the purpose of Preparing a Comprehensive Medium-Term Strategy for Improving the Living Standards of the People of Uzbekistan, and hereby reports such action to the Board.

⁷ ADB will provide the Government a copy of the invitation letter to the consultants including the criteria for selecting consultants as well as the consultants' technical proposals for internal use only. The Government will also be invited to participate as an observer in the contract negotiations.

TECHNICAL ASSISTANCE FRAMEWORK

Design Summary	Performance Indicators/Targets	Monitoring Mechanisms	Assumptions and Risks
1. Goal Poverty reduction in Uzbekistan	<ul style="list-style-type: none"> Reduction of poverty incidence by 2010 Improvement in nonincome poverty performance by 2010 Improvement in delivery of social protection measures to targeted vulnerable and socially excluded groups 	<ul style="list-style-type: none"> National household surveys Regional surveys 	
2. Purpose Support the Government in the preparation of a comprehensive medium-term strategy for improving the living standards of the people of Uzbekistan, particularly the low-income, vulnerable, and socially excluded groups	<ul style="list-style-type: none"> Resolution creating the interministerial committee and working groups with well-defined oversight functions Formulation and passage of decrees, resolutions, and/or other legislation that pertain to improving living standards and the implementation phase 	<ul style="list-style-type: none"> Periodic tripartite assessment by representatives from the Government, Asian Development Bank, and stakeholders Technical completion report 	<ul style="list-style-type: none"> Continued strong political commitment for the strategy formulation process and its implementation Security situation
3. Outputs 3.1 Strategy planning and formulation 3.2 Statistical component	<ul style="list-style-type: none"> Medium-term living standard strategy report-Strategy 2010-completed by December 2002 Technical reports, policy papers, and other types of studies from the seven working groups At least one region-based, medium-term strategy document User-friendly web site Quantitative and qualitative living standard indicators that serve as Government's living standard indicators and parameters for measuring the impact of its poverty 	<ul style="list-style-type: none"> At least 2 drafts of the Strategy 2010 report Interim reports of studies, aide memoirs, short policy papers, and a regional plan Progress reports of consultants Progress reports of consultants Draft designs of web sites Progress reports of consultants 	<ul style="list-style-type: none"> Strong coordination among Government, stakeholders, and international aid agencies Strong cooperation of regional governments, stakeholders, and the United Nations Development Programme Strong cooperation of State Department of Statistics and development partners (e.g., World Bank)

(Reference in text: page 2, para. 8)

Design Summary	Performance Indicators/Targets	Monitoring Mechanisms	Assumptions and Risks
<p>3.3 Training and capacity building</p>	<p>reduction measures</p> <ul style="list-style-type: none"> Improved labor market module in the household budget survey Monitoring and evaluation system, budget plan Conduct of at least 10 training sessions and seminars on strategy formulation and policy analysis for the members of the interministerial committee and the working groups 	<ul style="list-style-type: none"> Progress reports of consultants 	<ul style="list-style-type: none"> Time available to policy makers for the training
<p>4. Activities</p> <p>4.1 Strategy planning and formulation</p> <ul style="list-style-type: none"> Resolution from Government creating the interministerial committee and 7 working groups Review and analysis of decrees, resolutions, and other legislation as well as research studies and data on poverty Conduct of workshops, seminars, consultations, and other participatory meetings with stakeholders at sector and regional levels Conduct of special studies and policy papers on six priority areas of concern and one region Draft Strategy 2010 Develop a web site 	<ul style="list-style-type: none"> Resolution at start of Project (Jan 2002) Start: Jan 2002 Complete: March 2002 Start: March 2002; at least 1 for each working group area of concern, 7 regional seminars, and 6 stakeholder consultations Large conference by Dec 2002 Start: Jan 2002, first draft: April 2002, second draft: June 2002, and final draft: Aug 2002 First draft: June 2002, second draft: Sep 2002, and final draft: Nov 2002; Presentation in conference: Dec 2002 Start: March 2001 Complete: July 2002 	<ul style="list-style-type: none"> Consultants' progress reports Consultants' progress reports Consultants' progress reports Consultants' progress reports Consultants' progress reports 	<ul style="list-style-type: none"> Strong support of Government to the strategy formulation process Accessibility of data Lack of Government commitment to participatory process Weak nongovernment organizations and private sector to participate in the participatory process Accessibility of web site to consuming public

Design Summary	Performance Indicators/Targets	Monitoring Mechanisms	Assumptions and Risks
<p>4.2 Statistical component</p> <ul style="list-style-type: none"> Develop living standard indicators Develop labor survey module Integrate qualitative and sociological information in household budget survey methodology Design monitoring and evaluation system Oversee conduct of household survey <p>4.3 Training and capacity building</p> <ul style="list-style-type: none"> Design training modules and conduct training seminars Design specialized seminars and conduct them 	<ul style="list-style-type: none"> Start: Jan 2002 Complete: Oct 2002 for presentation in conference in Dec 2002 Start: Jan 2002 Complete: March 2002; inclusion in household survey Start: Jan 2002 Complete: April 2002; inclusion in household budget survey Start: April 2002 Complete: Oct 2002 for presentation in conference on Dec 2002 Start: April 2002 Complete: Nov 2002 Start: Jan 2002 Complete: Aug 2002 	<ul style="list-style-type: none"> Consultants' progress reports Consultants' progress reports Consultants' progress reports Consultants' progress reports Consultants' progress reports 	<ul style="list-style-type: none"> Receptiveness of Government Availability of funds to include labor survey module and other living standard indicators on a regular basis Receptiveness of Government participants to development strategies, innovative policy techniques, and poverty reduction models
<p>5. Inputs</p> <p>5.1 Consultants</p> <p>5.2 Equipment and software</p> <p>5.3 Training, seminars, and conferences</p> <p>5.4 Others including reports and communications, surveys and special studies, administrative and other support costs, etc.</p> <p>5.5 Government counterpart</p> <p>5.6 ADB Total</p>	<ul style="list-style-type: none"> \$457,200: 15 person-months international and 53 person-months domestic \$14,000 for 2 desktop computers, 1 printer, web site, fax machine, etc. \$37,000 \$292,000 \$350,000 \$800,000 	<ul style="list-style-type: none"> Consultant contract invoices Consultant contract invoices Consultant contract invoices Consultant contract services Post-audit Post-audit 	<ul style="list-style-type: none"> Security situation Timely recruitment of consultants Availability of local supply and maintenance support Availability of funds

COST ESTIMATES AND FINANCING PLAN
(\$'000)

Item	Foreign Exchange	Local Currency	Total Cost
A. Asian Development Bank (ADB) Financing^a			
1. Consultants			
a. Remuneration and Per Diem			
i. International Consultants	390.00		390.00
ii. Domestic Consultants		67.20	67.20
b. International and Local Travel	58.00	15.00	73.00
c. Reports and Communications	4.00	10.00	14.00
2. Equipment ^b	8.00	6.00	14.00
3. Training, Seminars, and Conferences			
a. Facilitators	19.00		19.00
b. Training program		18.00	18.00
4. Surveys		77.00	77.00
5. Miscellaneous Administration and Support Costs (including translation costs)	3.00 ^c	15.00	18.00
6. Representative for Contract Negotiations	7.00		7.00
7. Contingencies	71.00	31.80	102.80
Subtotal (A)	560.00	240.00	800.00
B. Government Financing			
1. Office Accommodation and Transport		80.00	80.00
2. Remuneration and Per Diem of Counterpart Staff		170.00	170.00
3. Others (local studies, statistical surveys, TV and radio time)		100.00	100.00
Subtotal (B)		350.00	350.00
Total	560.00	590.00	1,150.00

^a Financed on a grant basis from the ADB-funded TA Program.

^b This includes 2 desktop computers with required software (including for developing and hosting the web site program), 1 printer, accessories, modem, fax machine, and a photocopy machine. The equipment will be procured by the consultants and transferred to the Executing Agency at the conclusion of the technical assistance.

^c This includes expenses like printing of documents outside Uzbekistan and in the consulting firm's headquarters.

Source: ADB estimates.

(Reference in text: page 4, para. 15)

OUTLINE TERMS OF REFERENCE FOR CONSULTANTS

A. Background

1. The technical assistance (TA) will support the Government's effort to formulate a comprehensive medium-term strategy that will improve the living standards of the majority of its population with special focus on the low-income, vulnerable, and socially excluded groups. The TA will be coursed through a consulting firm, which will be selected in accordance with the Asian Development Bank's (ADB) *Guidelines on the Use of Consultants* and other arrangements satisfactory to ADB for engaging domestic consultants.

B. Consultants' Terms of Reference

2. The TA will need a total of 68 person-months of consulting services: 15 for international and 53 for domestic consultants. The consultants will fill the positions and meet the technical skills described in the following paragraphs. Their primary tasks will be to provide the concerned interministerial committee (IC), working groups (WGs), and designated implementing agencies with (i) advisory services, (ii) assessment and analysis of living standard-related issues and indicators, (iii) assistance in participatory processes and techniques, and (iv) hands-on training and capacity-building for policy makers. The specific responsibilities of each consultant are given in subsequent paragraphs.

1. Living Standard Strategist/Participatory Specialist (1 international for 6 person-months; 1 domestic for 12)

3. The international consultant will serve as the team leader. She/He should be an economist with expertise in formulating living standard strategies and measures, pro-poor budgeting, and participatory approaches; and should have country experience in transition economies. One local development economist with expertise in formulating a living standard strategy and in participatory approaches will serve as the deputy team leader. Together, the consultants will form the management team for the TA in general and the strategy formulation exercise in particular. Specifically, they will

- (i) assist the IC and the WG on strategy formulation in assessing the poverty situation in the country (taking into account cross-cutting issues such as gender and governance) and in developing a conceptual framework for and the major approaches to poverty reduction;
- (ii) assess the current practices and institutional capabilities of the Government in pro-poor budgeting and give technical support in preparing appropriate poverty-focused budgeting measures and funding mechanisms;
- (iii) integrate the WGs' assessment, action, budget, and communication plans as well as the outputs of the statistical component and the participatory process into the Strategy 2010 report;
- (iv) develop institutional mechanisms and arrangements for implementing the poverty-focused measures;
- (v) prepare and implement a participatory plan in the strategy formulation process at the regional and sector levels, involving nongovernment organizations, research

(Reference in text: page 5, para. 20)

institutions, and other members of civil society, national and regional governments, the poor, vulnerable, and socially excluded groups;

- (vi) assist in drafting the Strategy 2010 report, and in conducting seminars and forums to solicit comments on the document;
- (vii) supervise the work in the statistical and training and capacity-building components by coordinating their activities with those for the strategy formulation process; and
- (viii) support the preparation of the poverty partnership agreement between the Government and ADB.

2. Economist with Expertise in Living Standard Indicators and Statistical Techniques (1 international for 5 person-months; 1 domestic for 5)

4. One international and one domestic consultant will be hired. They will be economists with expertise in statistical methods for measuring poverty and living standards and welfare indicators. The consultants will undertake activities in the statistical component by providing technical support to the State Department of Statistics on how to improve the household survey and to the WG on consumer basket and living standard indicators on the living standard parameters. The specific tasks follow

- (i) review and analyze the primary and secondary information on the income and nonincome indicators of living standards and suggest the living standard parameters and indicators (disaggregated by gender and region) that will be used for monitoring and evaluating poverty reduction measures and for targeting assistance;
- (ii) analyze the various methodologies for defining and determining the living standard thresholds, suggest appropriate threshold benchmarks, and recommend improvements to the household budget survey questionnaire;
- (iii) incorporate the quantitative and qualitative information into the household budget survey questionnaire and oversee the conduct of the surveys;
- (iv) review the labor market module of the household budget survey questionnaire and improve the module for appropriate labor market analysis;
- (v) ensure training in the module designs, statistical analysis, and monitoring and evaluation (M&E) system;
- (vi) serve as technical expert to the WG on consumer basket and living standard indicators, particularly in developing living standard indicators that will be adopted by the Government for monitoring and evaluation (M&E) of its poverty reduction measures and targeting assistance;
- (vii) assist the WG in developing the institutional mechanisms and arrangements as well as the action and budget plans for the M&E systems; and

- (viii) develop quarterly bulletins on the living standards and employment data and oversee the design of the web site.

3. Statisticians (3 domestic for 9 person-months)

5. Three domestic experts will backstop the two economists who will provide services for the statistical component. The statisticians will undertake the following tasks: (i) one specialist in labor market and household budget surveys (3 person-months) will design a labor market module that will be incorporated in the household budget survey questionnaire, and include in the household budget survey the income and nonincome indicators that will serve as the M&E parameters; (ii) one expert in poverty targeted assistance (2 person-months) will review and assess the targeting methods used in the country and other countries and, on the basis of the assessment, will develop a poverty targeting design as well as identify the data requirements to be included in the household budget survey; (iii) one data analyst, who is also a programmer (4 person-months) will assist the consultants assigned to the statistical component in designing programs for the living standard indicators, labor market modules, the M&E system, and for the web site.

4. Regional Development Expert (1 international for 2 person-months; 1 domestic for 5)

6. The regional development experts will work closely with the WG on regional development with the following specific responsibilities:

- (i) assist in reviewing and assessing the regional development programs of the Government and other research works on the subject matter;
- (ii) provide technical support in developing living standard assessments at regional levels, taking into account cross-cutting issues such as gender and governance;
- (iii) provide country experiences in regional development, especially best practices in local government and civil society initiatives;
- (iv) assist in preparing at least one regional development plan; and
- (v) ensure the timely delivery of the studies for incorporation in the Strategy 2010 report.

5. Social Protection Expert (1 domestic for 3 person-months)

7. She/He will be a sociologist or a development economist with expertise in social protection. The consultant will assist the WG on social assistance to

- (i) review and evaluate the social assistance and social protection programs of Government for the vulnerable and socially excluded groups, including the role of local self-managed committees, as well as other studies undertaken on the subject matter;
- (ii) provide parameters for identifying the vulnerable and socially excluded groups;

- (iii) provide country experiences of best practices in social protection and social assistance programs;
- (iv) plan and implement participatory processes involving especially the stakeholders from the vulnerable, socially excluded, and women groups in identifying their needs and the appropriate public actions;
- (v) advise on developing a framework for social protection and social assistance measures, approaches for targeting assistance, the appropriate modalities of public actions, and the budget plan; and on determining the institutional arrangements for implementing these measures; and
- (vi) ensure the timely production of reports and their inclusion in the Strategy 2010 report.

6. Social Sector Specialist (1 domestic for 4 person-months)

8. A domestic social sector specialist, with background in sociology or development economics, will work closely with the WG on human development. She/He will

- (i) assist in reviewing and analyzing the social sector programs of the Government and existing studies on social services and how these impact on poverty reduction;
- (ii) provide country experiences in best practices in providing and delivering social infrastructure and municipal services to low-income, vulnerable, and socially excluded groups;
- (iii) plan and implement participatory processes that will involve the stakeholders in identifying needs, gaps, and public actions;
- (iv) assist in identifying public actions and the implementation arrangements as well as preparing the budget; and
- (v) ensure the timely delivery of the studies and other analytical papers for inclusion in the Strategy 2010 report.

7. Income Generation Expert (1 international for 2 person-months; 1 domestic for 3)

9. One international and one domestic consultant with expertise in income generation will be hired. They will work closely with the WG on income generation to

- (i) assist in reviewing the growth-related programs and policies of the Government and their implications for improving income and reducing poverty;
- (ii) provide other country experiences in income generating and poverty-reducing measures;
- (iii) ensure the participation of major stakeholders in identifying problems and recommending actions;

- (iv) assist in formulating public actions, budget plans, and institutional mechanisms; and
- (v) ensure the timely delivery of the analytical papers for their inclusion in the Strategy 2010 report.

8. Labor Market Specialist (1 domestic for 3 person-months)

10. The specialist will work closely with the WG on labor market and employment analysis. The specific tasks will be as follows:

- (i) assist in reviewing and assessing the employment programs of the Government and their implications for the labor market at sector, rural-urban, and formal-informal levels;
- (ii) provide other country experiences in labor market/human capital interventions, especially in the context of global competitiveness;
- (iii) ensure the participation of various stakeholders in the strategy formulation process;
- (iv) suggest the public actions and implementation plans, and assist in preparing the budget for the action plans; and
- (v) ensure the timely delivery of the analytical papers for their inclusion in the Strategy 2010 report.

9. Training Consultant (1 domestic for 9 person-months)

11. The training consultant will work closely with the Center for Economic Research (CER). In collaboration with CER, the specific tasks will include

- (i) identifying the training needs of the members of the IC and WGs;
- (ii) designing the training modules in consultation with the members of IC and WGs;
- (iii) coordinating with the Asian Development Bank Institute (ADBI) and CER in the training and special courses;
- (iv) identifying the resource persons (international and domestic) and arranging the materials and schedules of courses to be conducted in the country and possibly with ADBI;
- (v) providing assessment systems that will evaluate the value added of the training component; and
- (vi) suggesting measures for ensuring periodic training in the future.