



Technical Assistance Report

Project Number: 48139-001
Capacity Development Technical Assistance (CDTA)
December 2014

People's Republic of Bangladesh: Enhancing the Institutional Capacity of the Implementation Monitoring and Evaluation Division, Ministry of Planning

This document is being disclosed to the public in accordance with ADB's Public Communications Policy 2011.

Asian Development Bank

CURRENCY EQUIVALENTS

(as of 1 December 2014)

Currency unit	–	taka (Tk)
Tk1.00	=	\$0.0129
\$1.00	=	Tk77.57

ABBREVIATIONS

ADB	–	Asian Development Bank
IMED	–	Implementation Monitoring and Evaluation Division
M&E	–	monitoring and evaluation
MIS	–	management information system
RBME	–	results-based monitoring and evaluation
TA	–	technical assistance

NOTES

- (i) The fiscal year (FY) of the Government of Bangladesh ends on 30 June. "FY" before a calendar year denotes the year in which the fiscal year ends, e.g., FY2014 ends on 30 June 2014.
- (ii) In this report, "\$" refers to US dollars.

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CAPACITY DEVELOPMENT TECHNICAL ASSISTANCE AT A GLANCE

1. Basic Data		Project Number: 48139-001	
Project Name	Enhancing the Institutional Capacity of the Implementation Monitoring and Evaluation Division, Ministry of Planning	Department /Division	SARD/BRM
Country Borrower	Bangladesh Not applicable	Executing Agency	Implementation Monitoring and Evaluation Division
2. Sector	Subsector(s)	ADB Financing (\$ million)	
✓ Public sector management	Public administration		0.50
		Total	0.50
3. Strategic Agenda	Subcomponents	Climate Change Information	
Inclusive economic growth (IEG)	Pillar 1: Economic opportunities, including jobs, created and expanded	Climate Change impact on the Project	Low
4. Drivers of Change	Components	Gender Equity and Mainstreaming	
Governance and capacity development (GCD)	Institutional development Organizational development	No gender elements (NGE)	✓
Knowledge solutions (KNS)	Knowledge sharing activities		
5. Poverty Targeting		Location Impact	
Project directly targets poverty	No	Nation-wide	High
6. TA Category:	B		
7. Safeguard Categorization	Not Applicable		
8. Financing			
Modality and Sources		Amount (\$ million)	
ADB		0.50	
Sovereign Capacity development technical assistance: Technical Assistance Special Fund		0.50	
Cofinancing		0.00	
None		0.00	
Counterpart		0.10	
Government		0.10	
Total		0.60	
9. Effective Development Cooperation			
Use of country procurement systems		No	
Use of country public financial management systems		No	

I. INTRODUCTION

1. The Government of Bangladesh has requested the Asian Development Bank (ADB) to provide capacity development technical assistance (TA) for enhancing the institutional capacity of the Implementation Monitoring and Evaluation Division (IMED) under the Ministry of Planning. Subsequently, the TA was included in ADB's country operations business plan for Bangladesh.¹ A fact-finding mission from ADB's Bangladesh Resident Mission during 14–15 September 2014 held discussions with senior officials IMED. This TA is based on the understanding reached during the mission. The design and monitoring framework is in Appendix 1.²

II. ISSUES

2. Results-based monitoring and evaluation (RBME) is an essential tool for the government to measure the quantity and quality of outputs against inputs. RBME also measures the outputs' economic and social impacts. Effective RBME links public spending with achievement of overall development targets and instills good governance in practices. Many countries have adopted the RBME approach as a strategic performance planning and measurement tool, among them Bhutan, India, Malaysia, Nepal, Pakistan, the Philippines, Sri Lanka, and Viet Nam.

3. The government considers an effective project and program monitoring and evaluation (M&E) system essential for the successful implementation of the next national 5-year plan (Seventh Five Year Plan, FY2016–FY2020). It recognizes RBME as the most appropriate means to determine if projects and programs are contributing to achievement of the key national goal of poverty reduction. The Sixth Five Year Plan, FY2011–FY2015 also emphasized RBME for achieving development goals. The government aims to consolidate a results-based approach to M&E for all projects and programs.³

4. RBME focuses on the appropriate and timely achievement of goals and objectives through strategic planning, systematic implementation and resource usage, and use of performance information. It improves policy decision making and program performance at all levels.

5. The main focus of the current M&E system in Bangladesh is limited to the tracking of public spending. It primarily monitors implementation progress, identifies reasons for delays, and provides recommendations for accelerating project implementation. The current system lacks one important aspect of an effective M&E system—measuring the results. Hence, the impacts and outcomes of intended projects and programs are not systematically monitored.

6. IMED is the government's apex body responsible for M&E. IMED tracks performance of public investment projects included in the Annual Development Program by collecting and analyzing information on project and program inputs and outputs. IMED reports mainly discuss implementation problems and suggest actions. Thus, M&E of public investment projects merely tracks implementation progress, without shedding any light on whether the projects achieve their ultimate goal of poverty reduction.

7. The government is committed to RBME, a systematic approach that is also emphasized in the midterm review of the Sixth Five Year Plan. The plan stresses the need to enhance the

¹ ADB. 2013. *Country Operations Business Plan: Bangladesh, 2014–2016*. Manila.

² The TA first appeared in the business opportunities section of ADB's website on 4 September 2014.

³ Ministry of Planning. Government of Bangladesh, 2011. *Sixth Five Year Plan, FY2011–FY2015: Accelerating Growth and Reducing Poverty*. Dhaka.

capacity for evidence-based decision making through the use of robust RBME systems, which will facilitate appropriate policy making. In the plan, the government outlined specific steps to develop an effective RBME and mandated IMED to institutionalize it in all sectors.

8. The proposed TA builds on the success of two earlier, similar TA projects: Strengthening Project Portfolio Performance and Strengthening Results-Based Monitoring and Evaluation Project.⁴ The first enhanced IMED's project monitoring capacity by strengthening its project management information system (MIS), specifically for ADB's portfolio in Bangladesh.

9. The second TA assisted IMED in developing a strategic plan to build capacity for results-based monitoring in all sectors. It also implemented training programs to deepen IMED staff's knowledge in project design, implementation, and monitoring, based on the principles of a results-based approach. The completion report for this TA recommended further ADB assistance in (i) implementing IMED's strategic plan 2008–2013 in key sectors, (ii) improving logical frameworks for Annual Development Program projects, (iii) improving IMED's technical audit capacity, (iv) redesigning IMED's MIS to align it with RBME results and performance indicators, and (v) improving capacity of IMED and relevant government staff.⁵

10. Through the TA, the government is now seeking ADB's further support to operationalize the IMED strategic plan 2008-2013, improve its RBME capacity for technical projects, strengthen the RBME system, and standardize logical frameworks in project formulation for better project readiness and project quality.

III. THE CAPACITY DEVELOPMENT TECHNICAL ASSISTANCE

A. Impact and Outcome

11. The TA impact will be that RBME is mainstreamed in development planning in Bangladesh. The outcome will be that IMED's capacity for results-based monitoring of projects and programs is improved.

B. Methodology and Key Activities

12. The five outputs below will make IMED's M&E process more focused on results by improving its capacity for results-based monitoring of project and programs.

- (i) **Output 1: Implementation Monitoring and Evaluation Division's strategic plan, 2008–2013 implemented.** IMED's strategic plan for RBME was developed under previous ADB TA (footnote 4). In the process, IMED sought ADB's assistance in piloting the implementation of the strategic plan in the education and transport sectors. Output 1 will thus develop a high-quality RBME mechanism and strategy for selected projects in these sectors to help implement the strategic plan.

⁴ ADB. 1999. *Technical Assistance to the People's Republic of Bangladesh for Strengthening Project Portfolio Performance*. Manila (TA 3336-BAN, \$1,000,000, approved on 12 December, financed by ADB's Technical Assistance Special Fund; and ADB. 2006. *Technical Assistance to the People's Republic of Bangladesh for Strengthening Results-Based Monitoring and Evaluation Project*. Manila (TA 4880-BAN, \$800,000, approved on 1 December, financed by the Japan Special Fund).

⁵ ADB. 2010. *Technical Assistance Completion Report: Strengthening Results-Based Monitoring and Evaluation Project in Bangladesh*. Manila.

- (ii) **Output 2: Logical framework for project design improved.** As effective M&E starts from effective project design, the TA will work on improving the logical framework in project design. It will boost the capacity of IMED and relevant ministry officials for developing a results-focused logical framework through training and workshops, and develop a comprehensive and high-quality logical framework and operational manual for projects in the education and transport sectors (i.e., those selected for implementation of IMED's strategic plan).
- (iii) **Output 3: Training programs on technical audits implemented.** To improve the capacity of IMED officials for monitoring and evaluating the technical aspects of development projects, they will be trained on how to conduct technical audits for infrastructure sector projects.
- (iv) **Output 4: Information system improved.** IMED is currently upgrading its MIS to collect data online from line ministries and agencies, and to analyze it for M&E. To help measure project progress toward achievement of national goals, the TA will review and revise the project performance indicators in the IMED MIS to align them with those in the upcoming Seventh Five Year Plan.
- (v) **Output 5: Results-based monitoring and evaluation integrated in the draft Seventh Five Year Plan, FY2016–FY2020.** The results framework of the upcoming Seventh Five Year Plan will be reviewed and inputs will be provided to ensure that it is more RBME-focused.

C. Cost and Financing

13. The TA is estimated to cost \$600,000, of which \$500,000 will be financed on a grant basis by ADB's Technical Assistance Special Fund (TASF-V). As the TA will not procure any equipment, there is no procurement-related tax.

14. The government will provide counterpart support in the form of counterpart staff, office and housing accommodation, office supplies, secretarial assistance, meeting venues, and related facilities at IMED premises, including local transport for counterpart staff, telephone connections for the TA team, and other in-kind contributions.

D. Implementation Arrangements

15. IMED will be the executing agency. It will make available all relevant reports, documents, and information. ADB shall administer all consulting contracts. All disbursements under the TA will be made in accordance with ADB's *Technical Assistance Disbursement Handbook* (2010, as amended from time to time). The consultants will be engaged by ADB in accordance with its *Guidelines on the Use of Consultants* (2013, as amended from time to time). All consulting services under the TA will involve output-based (lump sum) contracts to reduce the administrative burden and improve economy, efficiency, and value for money.

16. A project steering committee—headed by the secretary of IMED, and represented by ADB staff, the project director, and the international team leader—will track implementation progress. The resident mission will monitor TA implementation and designate a focal person for the purpose. Half-yearly TA review missions will be conducted. IMED will submit quarterly TA progress reports. IMED and the resident mission will jointly monitor the consultants' work, and all consultants will submit periodic progress reports to ADB.

IV. THE PRESIDENT'S DECISION

17. The President, acting under the authority delegated by the Board, has approved the provision of technical assistance not exceeding the equivalent of \$500,000 on a grant basis to the Government of Bangladesh for Enhancing the Institutional Capacity of the Implementation Monitoring and Evaluation Division, Ministry of Planning and hereby reports this action to the Board.

DESIGN AND MONITORING FRAMEWORK

Design Summary	Performance Targets and Indicators with Baselines	Data Sources and Reporting Mechanisms	Assumptions and Risks
Impact RBME mainstreamed in development planning in Bangladesh	By end of 2020: Progress on RBME indicators reported in Annual Development Program starting 2018	IMED's annual report on Annual Development Program achievement status	Assumption The government commits to using RBME approach.
Outcome IMED's capacity for results-based monitoring of projects and programs is improved	By end of 2016 (for all indicators): IMED's M&E incorporating results-based approach approved for implementation At least 70% of audit training participants intend to use results-based technical audits in future work IMED's redesigned results-based MIS operational	IMED-approved RBME framework Technical audit reports	Assumption Line ministries and executing agencies continue to engage with IMED and support changes.
Outputs 1. IMED's Strategic Plan, 2008–2013 implemented	By end of 2016 (for all indicators): Appropriate results-based monitoring mechanism and strategy developed for pilot sectors At least 120 IMED and relevant ministry officials receive training on RBME	Report on IMED's strategic plan IMED monitoring report for project progress and completion	Risk High turnover of staff who receive training
2. Logical framework for project design improved	By end of 2016 (for all indicators): Manual developed on designing logical framework At least 120 IMED and relevant ministry officials receive training on logical framework	Updated logical framework, technical assistance review mission, back-to-office report, aide-mémoire	
3. Training programs on technical audits implemented	By end of 2016 (for all indicators): At least 90 IMED officials receive training on technical audit At least one study tour on technical audit conducted	Workshop or training program summary reports Study tour summary reports	

Design Summary	Performance Targets and Indicators with Baselines	Data Sources and Reporting Mechanisms	Assumptions and Risks
4. Information system improved	By end of 2016 (for all indicators): MIS redesigned for data collection and analysis that support RBME At least two reformatted, RBME-focused M&E reports published	Upgraded MIS Published M&E reports	
5. RBME integrated in the draft Seventh Five Year Plan, FY2016–FY2020	By end of 2016 (for all indicators): Seventh Five Year Plan incorporating the RBME approach is drafted	Draft Seventh Five Year Plan	
Activities with Milestones 1. IMED’s strategic plan, 2008–2013 implemented 1.1 Consult IMED officials to select projects in education and transport sectors for pilot implementation of IMED’s strategic plan. 1.2 Identify verifiable performance indicators (both qualitative and quantitative) for RBME of projects in education and transport sectors. 1.3 Develop high-quality RBME-based monitoring mechanism and strategy for collecting inputs on project progress and delivering feedback or suggestions on project progress, implementation status, and project accomplishment. 1.4 Provide training to 120 IMED and relevant ministry officials on RBME. 2. Logical framework for project design improved 2.1 Develop comprehensive and high-quality logical framework and its operational manual based on RBME approach for projects in education and transport sectors selected for implementation of IMED’s strategic plan. 2.2 Provide training to 120 IMED and relevant line ministry officials on logical framework. 3. Training programs on technical audits implemented 3.1 Coordinate or facilitate a training program for 90 IMED officials on how to conduct technical audits. 3.2 Identify appropriate study tour programs and select participants from IMED. 4. Information system improved 4.1 Review existing project performance parameters in IMED’s MIS and revise project performance indicators. 4.2 Revise the parameters to better align them with those in the upcoming Seventh Five Year Plan. 5. RBME integrated in the draft Seventh Five Year Plan, FY2016–FY2020 5.1 Review the results framework of the upcoming Seventh Five Year Plan. 5.2 Provide inputs on the results framework of the draft Seventh Five Year Plan to enhance quality and make it more RBME-focused. 5.3 Review the whole draft Seventh Five Year Plan and provide inputs on how to make the national targets more results-driven.			Inputs ADB: Technical Assistance Special Fund (TASF-V) \$500,000 Note: The government will provide counterpart support in the form of counterpart staff, office and housing accommodation, office supplies, secretarial assistance, meeting venues, and related facilities at IMED premises, but also local transport for counterpart staff, telephone connections for the TA team, and other in-kind contributions.

ADB = Asian Development Bank, FY = fiscal year, IMED = Implementation Monitoring and Evaluation Division, M&E = monitoring and evaluation, RBME = results-based monitoring and evaluation, MIS = management information system, TASF = Technical Assistance Special Fund.

Source: Asian Development Bank.

COST ESTIMATES AND FINANCING PLAN
(\$'000)

Item	Amount
Asian Development Bank^a	
1. Consultants	
a. Remuneration and per diem	
i. International consultants	276.0
ii. National consultants	53.0
b. International and local travel	20.0
c. Reports and communications	5.0
2. Training, seminars, and conferences ^b	
a. Facilitators	20.0
b. Training program	96.0
3. Miscellaneous administration and support costs	10.0
4. Contingencies	20.0
Total	500.0

Note: The technical assistance (TA) is estimated to cost \$600,000, of which contributions from the Asian Development Bank (ADB) are presented in the table above. The government will provide counterpart support in the form of counterpart staff, office and housing accommodation, office supplies, secretarial assistance, meeting venues, and related facilities at Implementation Monitoring and Evaluation Division premises, including local transport for counterpart staff, telephone connections for the TA team, and other in-kind contributions. All relevant reports, documents, and information will be made available, as necessary. The value of government contribution is estimated to account for 17% of the total TA cost.

^a Financed by ADB's Technical Assistance Special Fund (TASF-V).

^b Includes overseas training; also includes direct and identifiable representation costs permissible under the memo dated 26 June 2013 from ADB's Budget, Personnel and Management Systems Department and its Strategy and Policy Department.

Source: Asian Development Bank estimates.

OUTLINE TERMS OF REFERENCE FOR CONSULTANTS

A. Results-Based Monitoring and Evaluation Piloting Expert, and Team Leader (international, 7 person-months)

1. The expert should have a master's degree in a relevant field with at least 10 years of experience in monitoring and evaluation (M&E), of which 5 years should be in results-based monitoring at project or sector level.

2. Major responsibilities include:

- (i) Assess the needs of the Implementation Monitoring and Evaluation Division (IMED) in view of implementing its strategic plan 2008–2013 for results-based monitoring and evaluation (RBME) and in view of international best practices.
- (ii) Lead the consulting team in the tasks relating to implementation of IMED's strategic plan in the pilot sectors.
- (iii) Consult with IMED and relevant ministry officials to specify the results to be achieved for projects in selected sectors, and outline a RBME plan to monitor project progress toward achieving those results.
- (iv) Identify required inputs (e.g., human resources, finance, goods, works, services, training) for delivering specified results with yearly and quarterly breakups.
- (v) Identify verifiable indicators (both quantitative and qualitative) to be used for measuring progress toward each selected goal on a quarterly and yearly basis.
- (vi) Measure the baseline situation correctly for each of the selected results.
- (vii) Develop verifiable indicators (both quantitative and qualitative) for RBME-based impact assessment.
- (viii) Mentor, and provide training to, IMED and relevant ministry officials.
- (ix) Review, simplify, and standardize the logical frameworks in pilot sectors.
- (x) Collect and disseminate best practices on M&E and results-based management from the region and globally.
- (xi) Arrange foreign study tour, preferably in countries in the region with the best practices in RBME.
- (xii) Consult development partners and other stakeholders regularly on project activities.
- (xiii) Maintain regular communication with the Bangladesh Resident Mission of the Asian Development Bank (ADB).
- (xiv) Review the results framework in the draft Seventh Five Year Plan, FY2016–FY2020 and provide suggestions for further RBME streamlining, as appropriate.
- (xv) Design, in a participatory capacity development exercise, two sets of results-based M&E frameworks relevant to the social sector and infrastructure projects; the frameworks should allow to measure outcomes and impacts, and support the monitoring of Millennium Development Goals and the poverty reduction strategy.
- (xvi) Prepare reports in coordination with the consulting team.

B. Technical Audit Expert (international, 6 person-months)

3. The expert should have a master's degree in a relevant field with at least 10 years of experience in technical audits, of which 5 years in collecting samples, testing, verifying, and reporting on the quality of construction materials and/or electrical and mechanical equipment and/or workmanship used in processing the output of completed development projects.

4. Major responsibilities include:
 - (i) Design the format and manual on technical audit.
 - (ii) Design a training plan based on the format and manual.
 - (iii) Conduct training and workshops and prepare documents for the trainees on technical audit.
 - (iv) Conduct evaluation of the trainees.
 - (v) Prepare a status report on the projects in pilot sectors and make international comparisons.
 - (vi) Recommend proposals for future development of technical auditing.
 - (vii) Maintain regular communication with the resident mission.
 - (viii) Arrange international study tour on international best practices in technical audit.

C. Logical Framework Expert (national, 6 person-months)

5. The expert should have a master's degree in a relevant field with at least 10 years of experience in logical frameworks used in the design of development projects.

6. Major responsibilities include:
 - (i) Through a participatory process, review the logical framework and conduct the needs assessment.
 - (ii) In light of the country needs, and international best practices, simplify and standardize the logical framework.
 - (iii) Conduct training and/or workshops for IMED and relevant line agency officials on the logical framework.
 - (iv) Maintain regular communication with the resident mission.
 - (v) Develop comprehensive logical framework formats for the projects in pilot sectors, including infrastructure and social sectors.
 - (vi) Develop manual for IMED and relevant ministry officials on how to design logical framework.
 - (vii) Prepare reports.

D. Results-Based Management Information System Expert (national, 2 person-months)

7. The expert should have a bachelor's degree (preferably a master's) in a relevant field with at least 10 years of experience in database design and development, specifically for M&E.

8. Major responsibilities include:
 - (i) Review the existing project performance indicators in IMED's management information system.
 - (ii) Revise the IMED project performance indicators to better align them with the indicators in the upcoming Seventh Five Year Plan.
 - (iii) Maintain regular communication with the resident mission.
 - (iv) Develop a database of trainees in IMED under capacity development technical assistance (TA).
 - (v) Prepare reports.

E. Reporting Requirements

9. The consultants will submit hard copies of the following reports to ADB (3 copies) and to the executing agency (20 copies): (i) inception report, within 4 weeks of mobilization; (ii) monthly reports; (iii) draft capacity development and training plans for IMED, within 3 months of

mobilization (iv) final report incorporating comments from ADB and the executing agency, prior to the closing of the TA. All reports will also be submitted in editable format on CD-ROM to ADB and the executing agency.

10. The consultants will be engaged by ADB in accordance with its Guidelines on the Use of Consultants (2013, as amended from time to time). All consulting services under the TA will involve output-based (lump sum) contracts to reduce the administrative burden and improve economy, efficiency, and value for money.