



Regional: Strengthening Results-based Planning and Delivery of Agriculture, Natural Resources and Rural Development Investments in Indonesia and Viet Nam

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| Project Name | Strengthening Results-based Planning and Delivery of Agriculture, Natural Resources and Rural Development Investments in Indonesia and Viet Nam | |
| Project Number | 49004-001 | |
| Country | Regional | |
| Project Status | Closed | |
| Project Type / Modality of Assistance | Technical Assistance | |
| Source of Funding / Amount | TA 8878-REG: Strengthening Results-based Planning and Delivery of Agriculture, Natural Resources and Rural Development Investments in Indonesia and Viet Nam | |
| | Technical Assistance Special Fund | US\$ 225,000.00 |
| Strategic Agendas | Inclusive economic growth | |
| Drivers of Change | Governance and capacity development Knowledge solutions | |
| Sector / Subsector | Agriculture, natural resources and rural development - Agricultural policy, institutional and capacity development | |
| Gender Equity and Mainstreaming | No gender elements | |
| Description | The S-CDTA provided capacity development to staff of the Governments of Indonesia and Viet Nam, tools and information necessary to assist in the paradigm shift to link disbursements to program outcomes in ANRRD. The S-CDTA worked with key staff responsible for project identification on preparing proposals for ANRRD investments using results-based modalities, including for potential financing by ADB under RBL modality. | |

Project Rationale and Linkage to Country/Regional Strategy

The S-CDTA seeks to address the following issues: (i) request from the two governments to use and strengthen country systems (ii) increased focus from governments on development results, and (iii) the need to improve the impact of governments' ANRRD investment portfolios, including ADB-financed projects. Both Indonesia and Viet Nam have clear and robust country systems that can build on. A regional S-CDTA covering these two countries was proposed in order to benefit from experiences in each country and to understand common issues faced by MICs in the ANRRD sector.

INDONESIA. Food and water security will be the government's key priorities for the next five years. Planned public investments in these areas include rehabilitation of three million hectares of irrigated land, and development of one million hectares of new irrigated land. The government's recent budget reflects increased priority for the sector. At the same time, it is recognized that the current planning and delivery mechanisms have been inefficient. There is a need to strengthen institutional responsibilities, mechanisms for funding, planning, delivery, and monitoring functions that prioritize activities according to the most beneficial social and economic returns possible. ADB plans to prepare investments in flood management, irrigation and water security over the next five years.

VIET NAM. Likewise, the sector remains key to the government, which has introduced a number of sector strategies and reform measures. Such reform efforts include the New Targeted Program for New Rural Development (NTP-NRD) in 2009 to address rural-urban inequality, increasing pollution in the rural areas, and low farm incomes. The Decision on Agriculture Restructuring in June 2013 seeks to further reform the sector based on sustainable development principles, market-based and partnership orientation to shift the government role from provider to facilitator. ADB plans to prepare investments in basic infrastructure for inclusive growth over the next three years.

RESULTS-BASED LENDING IN ANRRD. In both countries, there is a growing recognition among the development partners to take a programmatic approach for the ANRRD sector to support the government's rural development initiatives. The national policies and strategies need to be adjusted and translated into a medium-term framework in light of changing circumstances to bolster the rural economy (through infrastructure services, research support, and farmer education), stimulate off-farm employment, and to promote rural-urban migration as rural productivity rises and urban economy expands. A reorientation of the medium-term ANRRD investment portfolio and medium-term expenditure framework would (i) shift the due diligence focus from the inputs delivery to outputs and outcome as the capacity of executing and implementing agencies have been improving; (ii) continue to addressing the critical rural infrastructure constraints; and (iii) develop a mechanism to continue supporting the institutional capacity to efficiently operate and effectively maintain the created assets. From ADB's portfolio management perspective, RBL is a new financing mechanism that can reduce high transaction costs and improve disbursement performance based on Government progress on achieving disbursement linked indicators (DLI).

Impact

Project Outcome

Description of Outcome

Progress Toward Outcome

Outcome: Improved capacity of sector government staff in Indonesia and Viet Nam for results-based planning and delivery of ANRRD investments.
Performance Targets and/or Indicators: By December 2015, one pilot RBL concept each for Indonesia and Viet Nam identified in the ANRRD sector. (Baseline = 0 in Feb 2015).
Progress towards Outcome: Knowledge sharing workshops were held in Jakarta, Indonesia from 8 to 9 September 2015 and Ha Noi, Viet Nam on 21 April 2016. The Indonesia workshop also included preparation for the proposed Integrated Participatory Development and Management of Irrigation Program Results-based Lending Program.
An RBL concept for Indonesia has been developed for the proposed Integrated Participatory Development and Management of Irrigation Program, which is proposed in the COBP 2016-2019 for Indonesia.
Recommendations were arrived to prepare Viet Nam for RBL programs.

Implementation Progress

Description of Project Outputs

Status of Implementation Progress (Outputs, Activities, and Issues)

1st regional workshop was held in Manila, Philippines from 21-22 April 2015 with participation from MARD and BAPPENAS
A knowledge sharing workshop ("Socialization") was held in Jakarta, Indonesia from 8 to 9 September 2015.
An RBL concept for Indonesia has been developed for the proposed Integrated Participatory Development and Management of Irrigation Program, which is proposed in the COBP 2016-2019 for Indonesia
Recommendations were arrived to prepare Viet Nam for RBL programs.

Geographical Location

Summary of Environmental and Social Aspects

Environmental Aspects

Involuntary Resettlement

Stakeholder Communication, Participation, and Consultation

During Project Design

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| During Project Implementation | Included in the TA activities is to carry out in-country validation/awareness workshops to discuss results of activities under output 1 and output 2 and hold regional workshops for cross-country learning and knowledge sharing. Discussions during the workshop included: (a) stakeholder acceptability of the RBL modality (i.e. incentives to line agencies; (b) readiness; (c) advantages and risks; and (d) risk mitigation and management. Participants included staff and officers from line agencies and planning agencies (MPI and BAPPENAS) |
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Business Opportunities

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| Consulting Services | The main purposes of the consulting services are to: (i) review key government strategies, fund flow mechanisms and implementation challenges in ANRRD, both at national and selected decentralized levels in Indonesia and Viet Nam; (ii) conduct a study on current planning, delivery and monitoring; (iii) prepare recommendations on institutional upgrading (iv) prepare and implement a capacity development plan; (v) carry out in country validation/awareness workshops to discuss results of activities, and (vi) hold two regional workshops for cross-country learning and knowledge sharing. A total of 4.7 person-months of international consulting services and 7.5 months of national consulting services will be made available. |
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Responsible Staff

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| Responsible ADB Officer | Quincieu, Eric |
| Responsible ADB Department | Southeast Asia Department |
| Responsible ADB Division | Environment, Natural Resources & Agriculture Division, SERD |
| Executing Agencies | <i>Asian Development Bank 6 ADB Avenue, Mandaluyong City 1550, Philippines</i> |

Timetable

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| Concept Clearance | - |
| Fact Finding | - |
| MRM | - |
| Approval | 19 Feb 2015 |
| Last Review Mission | - |
| Last PDS Update | 03 Oct 2016 |

TA 8878-REG

| Milestones | | | | | |
|-------------|--------------|------------------|-------------|-------------|--------|
| Approval | Signing Date | Effectivity Date | Closing | | |
| | | | Original | Revised | Actual |
| 19 Feb 2015 | - | 19 Feb 2015 | 31 Dec 2015 | 30 Apr 2016 | - |

| Financing Plan/TA Utilization | | | | | | | Cumulative Disbursements | |
|-------------------------------|-------------|-------------|---------------|-----------------|--------|------------|--------------------------|------------|
| ADB | Cofinancing | Counterpart | | | | Total | Date | Amount |
| | | Gov | Beneficiaries | Project Sponsor | Others | | | |
| 225,000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 225,000.00 | 19 Feb 2015 | 165,319.51 |

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| Project Page | https://www.adb.org/projects/49004-001/main |
| Request for Information | http://www.adb.org/forms/request-information-form?subject=49004-001 |
| Date Generated | 06 July 2017 |

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