ADB

Technical Assistance Report

Strengthening Institutions for Localizing Agenda 2030 for Sustainable Development

Asian Development Bank

ABBREVIATIONS

ADB	–	Asian Development Bank
DeLoG	–	Development Partners Network on Decentralisation and Local Governance
DMCs	–	developing member countries
GovTG	–	Governance Thematic Group
PRC	–	People's Republic of China
SDG	–	Sustainable Development Goal
TA	–	technical assistance
UN	–	United Nations
UNDP	–	United Nations Development Programme

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

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1.	Basic Data				Project Number: 50385-001
	Project Name	Strengthening Institutions for Localizing Agenda 2030 for Sustainable Development	**Department /Division**	SDCC/SDTC-GOV	
	Nature of Activity	Capacity Development	**Executing Agency**	Asian Development Bank	
	Modality	Regional			
	Country	REG			

2.	Sector	Subsector(s)		ADB Financing ($ million)
✓	Public sector management	Decentralization		1.00
			Total	1.00

3. Strategic Agenda	Subcomponents	Climate Change Information	
Inclusive economic growth (IEG) Regional integration (RCI)	Pillar 1: Economic opportunities, including jobs, created and expanded Pillar 3: Money and finance Pillar 4: Other regional public goods	Climate Change impact on the Project	Low

4. Drivers of Change	Components	Gender Equity and Mainstreaming	
Governance and capacity development (GCD)	Client relations, network, and partnership development to partnership driver of change Institutional development Organizational development	Some gender elements (SGE)	✓
Knowledge solutions (KNS)	Application and use of new knowledge solutions in key operational areas Knowledge sharing activities		
Partnerships (PAR)	Bilateral institutions (not client government) Civil society organizations Implementation International finance institutions (IFI) Private Sector Regional organizations United Nations organization		

5. Poverty and SDG Targeting		Location Impact	
Geographic Targeting	No	Regional	High
Household Targeting	No		
SDG Targeting	Yes		
SDG Goals	SDG1, SDG3, SDG4, SDG5, SDG9, SDG11, SDG13, SDG14, SDG16, SDG17		

6. Risk Categorization	Low

7. Safeguard Categorization	Safeguard Policy Statement does not apply

8. **Financing**

Modality and Sources	Amount ($ million)
ADB	1.00
Knowledge and Support technical assistance: Technical Assistance Special Fund	1.00
Cofinancing	0.00
None	0.00
Counterpart	0.00
None	0.00
Total	1.00

I.   INTRODUCTION

1.   The proposed knowledge and support technical assistance (TA) will improve the institutional capacity of selected Asian Development Bank (ADB) developing member countries (DMCs) to localize the Sustainable Development Goals (SDGs).[1] In response to DMC demand, the proposed TA will add value to the programs and operations of regional departments by supporting (i) the strengthening of awareness, knowledge, and skills for effective localization of the SDGs in selected DMCs; (ii) testing of innovative institutional capacity interventions for localizing SDGs in selected DMCs; and (iii) enhancing dialogue, including among developing countries, on good practices in SDG localization.[2]

2.   The proposed TA is included in the 2017 work program of the Governance Thematic Group (GovTG).[3] It builds on previous knowledge activities of the GovTG, such as the conferences conducted jointly with the Development Partners Network on Decentralisation and Local Governance (DeLoG) in August 2015 and September 2016,[4] and the international conference on the Role of Managing for Development Results in Achieving the SDGs 2030 (June 2017).[5] The proposed TA also takes into account the lessons from a series of learning programs on Multi-Stakeholder Engagement for Reform in different settings.[6] The TA is aligned with recent ADB strategy and policy papers on public sector management, institutional performance, and capacity development, and factors in lessons from past and ongoing decentralization and local governance operations in countries such as Cambodia, the People's Republic of China (PRC), Indonesia, Nepal, and the Philippines.[7]

II.   ISSUES

3.   In September 2015, the United Nations (UN) General Assembly adopted Agenda 2030 (Transforming Our World: The 2030 Agenda for Sustainable Development), which includes 17 SDGs and 169 targets, as a new reference for global development efforts. ADB supports its DMCs in achieving the SDGs through a customized approach with respect to sustainable development investments and enhanced financing needs, and by incorporating sustainability into its corporate results framework and reporting processes and enhanced financing needs.[8]

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[1] Localization is defined as "the process of taking into account subnational contexts in the achievement of the 2030 Agenda, from the setting of goals and targets to determining the means of implementation and using indicators to measure and monitor progress". Global Task-Force of Local and Regional Governments. 2016. *Roadmap for Localising the SDGs: Implementing and Monitoring at Subnational Level.* https://www.uclg.org/sites/default/files/roadmap_for_localizing_the_sdgs_0.pdf.

[2] The TA first appeared in the business opportunities section of ADB's website on 15 September 2017.

[3] The TA is included under the title Strengthening Institutions for Global Agendas.

[4] ADB. 2015. Support for Decentralization Reforms and Local Governance Systems in the Asia-Pacific: Better Performance, Higher Impact. Manila. 25–27 August. https://www.eiseverywhere.com/ehome/adb-decentralization-event/GovTGevent-corruption-home/; ADB. 2016. Localizing Global Agendas. Manila. 27–29 September. http://k-learn.adb.org/learning-events/localizing-global-agendas.

[5] ADB. 2017. The Role of Managing for Development Results in Achieving the Sustainable Development Goals 2030. Manila. 15–16 June. https://www.adb.org/news/events/role-mfdr-achieving-sdgs-2030.

[6] ADB. 2014, 2015, 2016. *Mobilizing Multi-Stakeholder Action for Reform.* Manila. http://k-learn.adb.org/learning-events/2016-mobilizing-multi-stakeholder-action-reform.

[7] ADB. 2016. *Better Performing Institutions in ADB Developing Member Countries: Positioning ADB's Approach to Public Sector Management and Institutional Performance.* Manila; ADB. 2015. *Review of the Asian Development Bank's Approach to Capacity Development.* Manila.

[8] ADB. ADB's Focus on Sustainable Development Goals. https://www.adb.org/site/sdg/main (accessed on 5 July 2017).

4.	Unlike the Millennium Development Goals, which were highly centralized, the SDGs capture environmental, economic, political, and social dimensions of development more holistically. While the text of the SDGs does not contain an explicit call for localizing the SDGs, local governments are recognized directly or indirectly in many of the goals, notably in Goal 11 (Make cities and human settlements inclusive, safe, resilient, and sustainable) and Goal 16 (Promote peaceful and inclusive societies for sustainable development, provide access to justice for all, and build effective, accountable, and inclusive institutions at all levels).

5.	Subnational governments have a critical role in implementing and achieving the SDGs, including those where localization is not explicitly mentioned, because (i) the experience of developed countries suggests that as economic and population growth and urbanization increase a greater share of public investments and spending will occur at the local level; (ii) addressing global resource challenges and constraints—such as pollution, biodiversity loss, and climate change—will require close involvement of subnational governments; and (iii) subnational governments are closer to citizens and better positioned to provide opportunities for the poor and marginalized to be heard. The proposed TA will support implementation of the roadmap for localizing the SDGs developed by the Global Taskforce of Local and Regional Governments, the United Nations Development Programme (UNDP) and UN Habitat to support cities and regions to deliver the 2030 agenda; roadmap development included an intensive consultation process (footnote 1).[9]

6.	Many DMCs lack the institutional capacity to localize the SDGs, and institutional strengthening is needed with respect to: (i) multilevel governance systems defined by national governments (i.e., related to functional assignments, intergovernmental fiscal relations, and national–subnational development plan integration); (ii) subnational governmental processes, to ensure that regulations, planning and budgeting processes; service delivery mechanisms; and infrastructure investments are responsive to SDG goals; and (iii) transparent and participatory multi-stakeholder engagement processes involving local governments and parliaments, citizens, and the private sector to ensure accountability on SDG target achievement, drawing on adequate national and subnational monitoring systems.

## III.	THE TECHNICAL ASSISTANCE

### A.	Impact and Outcome

7.	The TA is aligned with the following impact: performance of institutions in DMCs for localizing Agenda 2030 commitments for sustainable development improved. The TA will have the following outcome: institutional capacity of selected DMCs to localize the SDGs improved.[10]

### B.	Outputs, Methods, and Activities

8.	The proposed TA will support three key outputs, which are designed to respond flexibly to various potential DMC institutional strengthening needs for localizing the SDGs (para. 6). The ultimate support areas under the TA will be determined through consultations with regional

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[9]	The consultations generated the following key messages: (i) local and regional governments are essential for promoting inclusive sustainable development within their territories and are necessary partners in SDG implementation; (ii) effective local governance can ensure that a diversity of local stakeholders are included, which encourages broad-based ownership, commitment, and accountability; (iii) an integrated multilevel and multi-stakeholder approach is needed to promote transformative local agendas; and (iv) a strong commitment is required at the national level to provide adequate legal frameworks and institutional and financial capacity.

[10] The design and monitoring framework is in Appendix 1.

departments and DMCs. The TA can support the localizing of any of the SDGs, but the highest demand is expected to be for the service delivery- and infrastructure-related SDGs, as well as for goals related to sustainable cities, the environment, and climate action.

9. **Output 1: Awareness, knowledge, and skills for effective localization of the Sustainable Development Goals in selected developing member countries strengthened**. Under output 1, at least three customized regional or country-specific learning programs will be developed and conducted, focusing on the awareness, knowledge, and skills needed to localize the SDGs. At least 150 local stakeholders, preferably involved in ADB projects, will participate in the programs by December 2019. An existing program on Multi-Stakeholder Engagement for Reform developed by ADB and tested through ADB staff training since 2007 will be customized to better respond to SDG implementation challenges. The program teaches critical skills—such as understanding stakeholders and their underlying interests and power relations— in support of collective action in complex multi-stakeholder settings. The TA will respond to a request by the Pacific Department to implement a customized version of the Multi-Stakeholder Engagement for Reform learning program for participants involved in the Improving Quality of Basic Education Project in the Republic of the Marshall Islands and the Federated States of Micronesia.

10. **Output 2: Innovative institutional capacity interventions for localizing the Sustainable Development Goals in selected developing member countries tested.** Under output 2, at least two subprojects that respond to any of the various institutional strengthening needs (para. 6) will be identified in close cooperation with regional departments and DMCs, and be implemented by March 2020. Subprojects that present challenges in the form of high institutional complexity, innovation or learning potential will be prioritized, with findings disseminated to DMC decision makers and ADB programs and operations. One subproject will support the Institute for SDGs at Tsinghua University in cooperation with the UNDP office in the PRC to support testing of an innovative approach to integrating the SDGs into local 5-year plans in up to two cities in the PRC. At least two knowledge products will be published on the ADB website by June 2020, with careful consideration given to the needs of the relevant target groups, including possible use of social media and digital approaches.

11. **Output 3: Dialogue on effective localization of the Sustainable Development Goals enhanced.** The TA will enhance dialogue, including among developing countries, by identifying and documenting good practices and by bringing together DMC representatives at the global and regional levels to share their experiences in localizing the SDGs. The GovTG will hold a knowledge-sharing seminar in a DMC and an international seminar on Localizing Agenda 2030 for Sustainable Development in Manila, preferably in close cooperation with the DeLoG,[11] the Development Assistance Committee Network on Governance of the Organisation for Economic Co-operation and Development,[12] and UNDP. The events will be based on a review of good practices from the region. The event documentation will be posted on k-learn, Development Asia, and the GovTG website.

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[11] DeLoG is an informal network of 29 bilateral and multilateral development partners in the field of decentralization and local governance. It was established in 2006 and ADB joined in 2015. It functions as a network for knowledge exchanges among different organizations as well as a platform for joint learning. Development Partners Network on Decentralisation and Local Governance. www.delog.org/web.

[12] There is scope for cooperation on the work on social inclusion and SDG implementation included in the 2017–2018 Network on Governance work plan.

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C. Cost and Financing

12. The TA is estimated to cost $1,000,000, which will be financed on a grant basis by the ADB Technical Assistance Special Fund (TASF 6).[13] The key expenditure items are listed in Appendix 2.

D. Implementation Arrangements

13. ADB will be the executing agency and will administer the TA. The GovTG Secretariat under the Sustainable Development and Climate Change Department will lead implementation. The GovTG Secretariat will support (i) workshop preparation, implementation, and evaluation; (ii) subproject identification, design, and implementation; and (iii) training and conferences.[14] The TA will be implemented in close coordination with the ADB Results Management and Aid Effectiveness Division in the Strategy and Policy Department and through the ADB-wide SDG coordination mechanism. The GovTG Committee will serve as the steering group for TA implementation, monitoring, and reporting. The TA will be implemented from October 2017 to September 2020. All activities will be coordinated closely with regional departments and relevant DMC stakeholders and will be designed to add value to country, sector and thematic operational priorities in at least three regional departments. The TA will finance consulting services, reports and other knowledge products, and workshops and conferences. For output 2, a call for subproject proposals from operational departments for up to $225,000 will be issued on ADB Today once the TA is approved. Selection of subproject proposals will be conducted by the GovTG secretariat in close consultation with the GovTG Committee based on criteria such as operational relevance, linkages to country partnership strategies, degree of institutional complexity, innovation, and learning potential.

14. The TA will be implemented in cooperation with partner organizations, such as the DeLoG, the Development Assistance Committee Network on Governance of the Organisation for Economic Co-operation and Development, the Open Government Partnership, UNDP, and relevant country and regional institutions.

15. The TA will support cross-sector and -thematic work by coordinating closely with relevant sector and thematic groups, particularly through ongoing SDG-related TA projects.[15] For instance, the Education Sector Group will be closely involved in the preparation of the education sector case study for the Multi-Stakeholder Engagement Program in the North Pacific, and the Urban Sector Group will be consulted on the PRC cities subproject under output 2. Cooperation with the Social Protection Thematic Group will examine issues with respect to social protection indicators and financing strategies for social protection; and cooperation with the Environment Thematic Group will emphasize pollution and loss of biodiversity.

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[13] Cofinancing ($500,000) from the PRC Regional Cooperation and Poverty Reduction Fund has been requested; if granted, this will be added through a change of scope, subject to management approval. The additional financing will be prioritized for expanding output 2 subproject coverage.

[14] Resource persons may include ADB staff with expertise in specialized areas to present in workshops. Travel costs and per diem for resource persons will be covered under the TA budget as indicated in Appendix 2.

[15] ADB. 2017. *Technical Assistance for Strategies for Financing Social Protection to Achieve Sustainable Development Goals in Developing Member Countries*. Manila; ADB. 2016. *Technical Assistance for Supporting Implementation of Environment-Related Sustainable Development Goals in Asia and the Pacific*. Manila.

Implementation Arrangements

Aspects	Arrangements	
Indicative implementation period	October 2017–September 2020	
Executing agency	ADB's Sustainable Development and Climate Change Department (Governance Thematic Group)	
Consultants	To be selected and engaged by ADB	
	ICS	17 person-months of international and 60 person-months of national consultants	$683,000
Disbursement	The TA resources will be disbursed following ADB's *Technical Assistance Disbursement Handbook* (2010, as amended from time to time).	

ADB = Asian Development Bank, ICS = individual consultants selection.
Source: ADB.

16.   **Consulting services.** ADB will select, supervise, and evaluate all consultants. The TA is estimated to require 17 person-months of international consultant and 60 person-months of national consultant services, using individual consultants with expertise in governance, public sector management, decentralization and local governance, and/or capacity and institutional development. All consultants shall be engaged following the ADB Procurement Policy (2017, as amended from time to time) and Procurement Regulations for ADB Borrowers (2017, as amended from time to time), using output-based, lump-sum out-of-pocket contracts wherever possible.[16] The terms of reference for consultants will be further developed when specific TA activities are undertaken.

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 $1,000,000 on a grant basis for Strengthening Institutions for Localizing the Agenda 2030 for Sustainable Development, and hereby reports this action to the Board.

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[16] Terms of Reference for Consultants (accessible from the list of linked documents in Appendix 3).

DESIGN AND MONITORING FRAMEWORK

Impact the TA is Aligned with			
Performance of institutions in DMCs for localizing Agenda 2030 commitments for sustainable development improved.[a]			

Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting	Risks
Outcome Institutional capacity of selected DMCs to localize the SDGs improved	1a. By 2020, two updated SDG action plans incorporating TA recommendations on institutional capacity strengthening submitted to relevant ministries in selected DMCs for approval (2017 baseline: 0)	1a. Relevant SDG action plans and final TA report	DMC support is not sustained over time due to shifting priorities.
Outputs 1. Awareness, knowledge, and skills for effective localization of the SDGs in selected DMCs strengthened	1a. By December 2019, at least 150 participants (40% women) from at least three customized regional or country-specific learning programs are reporting improved skills after the conduct of the program (2017 baseline: 3)	1a. Training documentation by facilitators, participant feedback following the event, and a tracer study	Governments are unable to nominate suitable participants for the training.
2. Innovative institutional capacity interventions for localizing the SDGs in selected DMCs tested	2a. By March 2020, at least two small-scale interventions addressing country-specific challenges with high institutional complexity, innovation or learning potential tested (2017 baseline: 0)	2a. Subproject inception reports and quarterly progress reports by the lead subproject consultant	
	2b. By June 2020, at least two knowledge products highlighting results of innovative interventions posted on the ADB website (2017 baseline: 0)	2b. Knowledge products posted on the ADB website, and quarterly progress reports by lead subproject consultants	
3. Dialogue on effective localization of the SDGs enhanced	3a. By December 2019, at least 50 participants (40% women) of a developing country conference on localizing SDGs report improved skills and networks (2017 baseline: 0)	3a. Participant feedback reflected in event documentation on the k-learn and ADB websites	Trained government staff members are unable to apply learning due to frequent turnover.
	3b. By December 2019, at least 50 participants (40% women) of an international conference on SDGs report improved skills (2017 baseline: 1)	3b. Participant feedback reflected in event documentation on the k-learn and ADB websites	

Key Activities with Milestones

1. Awareness, knowledge, and skills for effective localization of SDGs in selected DMCs strengthened

    1.1 Assess existing awareness-raising programs prepared by other agencies such as UNDP (Q4 2017–Q2 2018)

    1.2 Design course content for awareness-raising courses for different groups of stakeholders, including those involved in output 2 subprojects (Q4 2017–Q4 2019).

    1.3 Select and invite relevant participants for learning programs in close coordination with DMCs and operational departments (Q3 2018–Q4 2019).

    1.4 Customize multi-stakeholder engagement for reform learning program for North Pacific DMC participants from the education sector project (Q4 2017–Q1 2018).

    1.5 Conduct and evaluate learning programs in cooperation with partners (Q4 2017–Q4 2019).

2. Innovative institutional capacity interventions for localizing the SDGs in selected DMCs tested

    2.1 Identify, design, implement, and monitor targeted small-scale subprojects to address challenges with institutional capacity for localizing the SDGs in close cooperation with regional departments and relevant stakeholders (Q4 2017–Q1 2020).

    2.2 Provide specialized support for quality assurance, monitoring, and follow-on support (Q4 2017–Q1 2020).

    2.3 Document subproject results, findings, and lessons (Q2 2020).

3. Dialogue on effective localization of the SDGs enhanced

    3.1 Identify good practices in institutional strengthening for localizing the SDGs, and draft case studies to inform conferences (Q4 2017–Q4 2019).

    3.2 Design, conduct, and document regional conference on localizing the SDGs in a DMC (Q4 2017–Q4 2019).

    3.3 Design, conduct, and document an international conference on the Localizing Agenda 2030 for Sustainable Development in Manila (Q4 2017–Q4 2019).

TA Management Activities

Coordinate detailed activities with operational departments and DMCs.

Recruit and manage international and national consultants in cooperation with operational departments and DMCs.

Conduct inception and supervision missions for subprojects, where needed, and provide quality assurance of studies and learning programs and consultant reports.

Organize and support the multi-stakeholder engagement learning program.

Support and co-host a regional and an international conference.

Administer the TA.

Manage the project website and coordinate publications with the Department of External Relations.

Disseminate knowledge products across DMCs and integrate these into knowledge and learning exercises.

Submit the TA final report.

Inputs

ADB: $1,000,000[b]

Assumptions for Partner Financing

Not Applicable

ADB = Asian Development Bank, DMC = developing member country, PRC = People's Republic of China, Q = quarter, SDG = Sustainable Development Goal, TA = technical assistance, UNDP = United Nations Development Programme.

[a] Defined by TA.

[b] Cofinancing ($500,000) from the PRC Regional Cooperation and Poverty Reduction Fund has been requested; if granted, this will be added through a change of scope, subject to management approval. The additional financing will be prioritized for expanding output 2 subproject coverage.

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	350.0
ii. National consultants	280.0
b. Out-of-pocket expenditures	
i. International and local travel	50.0
ii. Reports and communications	3.0
2. Training, seminars, workshops, forum, and conferences[b]	
a. Facilitators	100.0
b. Travel costs of ADB staff acting as resource persons	10.0
c. Venue rental and related facilities	25.0
d. Participants	163.0
e. Representation	2.0
3. Miscellaneous administration and support costs[c]	2.0
4. Contingencies	15.0
Total	**1,000.0**

ADB = Asian Development Bank

Note: The technical assistance (TA) is estimated to cost $1,000,000 of which contributions from the Asian Development Bank are presented in the table above.

[a] Financed by the ADB Technical Assistance Special Fund (TASF 6). Cofinancing from the People's Republic of China Regional Cooperation and Poverty Reduction Fund amounting to an additional $500,000 has been requested; if granted, it will be added to the TA through a change of scope, subject to management approval.

[b] Includes logistical arrangements; travel of resource persons, including ADB staff and experts; supplies; and materials that will be used in the awareness-raising and learning programs, and regional and international conferences. This may also include limited representation expenses. ADB (Budget, Personnel and Management Systems Department and Strategy and Policy Department). 2013. *Use of Bank Resources: Regional Technical Assistance and Technical Assistance vs. Internal Administrative Expenses Budget*. Memorandum. 26 June (internal).

[c] Includes other project administration costs, such as translation and travel cost of ADB staff to provide administrative or secretariat support services for the implementation of activities for the TA. *Use of Bank Resources* memorandum (footnote b).

Source: Asian Development Bank estimates.

LIST OF LINKED DOCUMENTS
http://www.adb.org/Documents/LinkedDocs/?id=50385-001-TAReport

Terms of Reference for Consultants