

CARIBBEAN DEVELOPMENT BANK



TECHNICAL ASSISTANCE POLICY AND OPERATIONAL STRATEGY

SEPTEMBER 2012

ABBREVIATIONS

AMT	-	Advisory Management Team
BMC	-	Borrowing Member Country
BNTF	-	Basic Needs Trust Fund
BOD	-	Board of Directors
CARTFund	-	Caribbean Aid for Trade and Regional Integration Trust Fund
CDB	-	Caribbean Development Bank
CPD	-	Corporate Planning Division
CSP	-	Country Strategy Paper
DC	-	Division Chief
FY	-	Financial Year
HR&A	-	Human Resources and Administration
MfDR	-	Managing for Development Results
MIS	-	Management Information System
OCR	-	Ordinary Capital Resources
OIE	-	Office of Independent Evaluation
PBL	-	Policy-Based Loan
PCR	-	Project Completion Report
PD	-	Projects Department
PPES	-	Project Performance Evaluation System
PMR	-	Project Monitoring Report
PRSD	-	Project Services Division
QA&M	-	Quality Assurance and Monitoring
RCI	-	Regional Cooperation and Integration
RPGs	-	Regional Public Goods
SDF	-	Special Development Fund
SFR	-	Special Fund Resources
TA	-	Technical Assistance
TAM	-	TA Operations Manual
TCD	-	Technical Cooperation Division (Projects Department)
TPGs	-	Transnational Public Goods
TU	-	Training Unit
USD	-	United States Dollar
USDF	-	Unified Special Development Fund
VPO	-	Vice-President (Operations)

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EXECUTIVE SUMMARY

1. The provision of technical assistance (TA) is a core function of the Caribbean Development Bank (CDB) or the Bank in carrying out its purpose which is to “*contribute to the harmonious economic growth and development of the member countries in the Caribbean ... and to promote economic co-operation and integration among them*” as stated in Article 1 of the Bank’s Charter. The financing and the management of TA have changed significantly over the past 40 years and past evaluations as well as feedback received in 2010 from CDB’s internal and external stakeholders, have consistently highlighted weaknesses in terms of the strategic relevance and programmatic coherence of the TA portfolio. In light of this, a revised CDB TA Policy and Strategy document has been developed and is presented to CDB’s Board of Directors (BOD) for approval.

CDB’s TA POLICY

2. The TA Policy seeks to enhance the development effectiveness of CDB’s TA Programme^{1/} and has four objectives:

- (a) To align the TA Programme to CDB’s Strategic Objectives, Poverty Reduction Strategy, Special Fund Resources and Ordinary Capital Resources commitments.
- (b) To strengthen the operational focus for TA programming, monitoring, reporting and control.
- (c) To reinforce the application of best practice at each stage of the TA programme/project management cycle.
- (d) To inculcate adherence to the principles of development effectiveness in the management of TA interventions within CDB and its Borrowing Member Countries (BMCs).

3. To support the effective implementation of the TA Policy, CDB commits to:

- (a) Developing a TA operational framework to provide greater strategic focus and enhance overall TA programme management.
- (b) Strengthening the synergies between TA operations and the Bank’s investment and policy-based lending.
- (c) Developing synergies between TA operations and the Bank’s other policies and strategies.
- (d) Assessing TA performance and results through application of appropriate performance criteria to the entire TA programme/project management cycle.
- (e) Improving the management of TA information.

^{1/}Most of CDB’s TA interventions fall under the “core” TA programme i.e. they are financed from CDB’s resources and are managed using CDB’s institutional arrangements. TAs with separate financing arrangements, such as the Basic Needs Trust Fund (BNTF) and the Caribbean Aid for Trade and Regional Integration Fund are also covered under this TA Policy.

(ii)

- (f) Intensifying focus and resources on TA Quality-at-Entry.
- (g) Strengthening and resourcing TA supervision and monitoring.
- (h) Formalising and resourcing end-of-project performance assessment, key issues and lessons learned.
- (i) Establishing a TA Focal Point for dedicated handling of TAs as well as the regional programming and central governance work that rely heavily on TA to achieve objectives.
- (j) Strengthening the Bank and in-country capacity to design and execute TAs in accordance with the Development Effectiveness principles of Ownership, Alignment, Harmonisation, MfDR and Mutual Accountability.
- (k) A simplified process for small events-related TAs.

CDB'S TA OPERATIONAL STRATEGY

4. CDB's TA Operational Strategy includes 15 components articulated around four main strategic pillars, which are directly linked to and broadly categorise the Bank's core commitments for implementing the TA Policy. The strategic pillars and related components are:

- (a) **Pillar 1: Strengthening Strategic and Organisational Focus on TAs:**
 - (i) TA Focal Point – establishment of the Technical Cooperation Division (TCD) within the Projects Department.
 - (ii) Strengthening the process for TA project selection.
- (b) **Pillar 2: Improving TA Performance:**
 - (i) Strengthening Quality of TA Design (Quality at Entry).
 - (ii) Strengthening Quality of TA Supervision and Reporting.
 - (iii) Strengthening TA Monitoring to Support Quality of Results.
 - (iv) Enhancing TA Portfolio Performance Criteria.
 - (v) Strengthening TA Evaluation.
 - (vi) Improving Management of TA Information.
- (c) **Pillar 3: Improving TA Operational Efficiency:**
 - (i) Implementing Distinct Processes for Handling TAs of Different Sizes.
 - (ii) Revising TA Application Procedures and Formats.
 - (iii) Upgrading the Project Portfolio Management System.
 - (iv) Revisiting Approval Limits and Signing Authority.
- (d) **Pillar 4: Building Capacity in TA Management:**
 - (i) Revising TA Manual.
 - (ii) Enhancing TA cycle management training for staff.
 - (iii) Providing training in TA management for BMCs.

(iii)

5. The full implementation of the CDB TA Strategy is expected to take 24 months from the date of Board approval of the TA Policy and Operational Strategy and is expected to be mostly financed from within the Bank's operating budget for Financial Years 2012 through to 2014.

6. Responsibility for monitoring and semi-annual reporting on the TA project pipeline, TA portfolio size and composition to CDB's management will belong to TCD, as TA Focal Point. To ensure independence in the monitoring and reporting on TAs, and remove the probable conflict of interest in having TCD involved in project appraisal, supervision and monitoring of all TA projects, annual reporting on TA portfolio performance to CDB's BOD shall be the responsibility of the Coordinator for Quality Assurance and Monitoring (QA&M)^{2/} in the office of the Vice-President (Operations). OIE will continue to conduct periodic evaluations of the overall TA programme. The Corporate Planning Division (CPD) will also assess the effectiveness of the TA Policy and Operational Strategy within the context of its reporting to Special Development Fund contributors.

7. To support the implementation of CDB's TA Operational Strategy, CDB will:

- (a) Adopt and disseminate the TA Policy and Operational Strategy to CDB's internal stakeholders (Board, management and staff).
- (b) Disseminate TA Policy, inclusive of the Bank's core commitments, to external stakeholders.
- (c) Implement Performance Criteria for TA Interventions and related checklists developed by the Office of Independent Evaluation (OIE), and the related reporting templates.^{3/}
- (d) Develop a schedule of staff training in areas directly related to effective TA project cycle management including TA design, supervision, monitoring, stakeholder assessments, institutional analysis/capacity assessments, design modification and performance (results) management in addition to training in CDB's project cycle management processes and procedures for TA. Training in TA project cycle management will also be incorporated within the Bank's orientation programme for new Operations Department staff and TA Manual will be revised.
- (e) Designate in-house specialists with training and/or experience in areas that directly support effective TA management.
- (f) Convene inter-departmental (inter-specialist) teams to conduct periodic reviews of large TAs under implementation and allocate budgetary resources for annual supervision visits for 'at risk' TAs over USD40,000.
- (g) Develop User Group of 4-5 staff members from the Operations and Legal Departments to support the development and deployment of TA module in the revised project portfolio management system.

^{2/}The post of Coordinator for QA&M is to be located in the office of the Vice-President (Operations).

^{3/}The design of the performance rating system is to be finalised between the Operations Area and OIE.

1. INTRODUCTION

THE ROLE OF TECHNICAL ASSISTANCE

1.01 The provision of technical assistance (TA) is a core function of the Caribbean Development Bank (CDB) in carrying out its purpose which is to “*contribute to the harmonious economic growth and development of the member countries in the Caribbean...and to promote economic co-operation and integration among them*” as stated in Article 1 of the Bank’s Charter. CDB’s Charter makes specific reference to using TAs for pre-investment surveys and for assisting in the identification and preparation of project proposals. Traditionally, a distinction between investment-related and non-investment related TA has characterised the Bank’s TA operations, while new categories of TA interventions have emerged in more recent years which are consistent with the Bank’s evolving policy in areas related to economic management, poverty reduction, environment, good governance, gender, regional/sub-regional integration and enhanced operational effectiveness of CDB itself.

FINANCING AND MANAGEMENT OF CDB’S TA OPERATIONS

1.02 The financing of TA has changed significantly since the Bank first commenced operations in 1970. Initially, funding for project preparation and other TA was provided by earmarked contributions from donors, on differing terms and conditions, until the eventual establishment of a unified Technical Assistance Fund in 1978, funded by contributions from the United States Agency for International Development, the United Kingdom, Canada, Venezuela, Trinidad and Tobago and CDB. However, since 1986 resources for CDB’s TA operations have been primarily funded out of the Bank’s Unified Special Development Fund (USDF). In the period January 1, 2006 to December 31, 2010, USDF resources provided 84.9% of the financing for all approved TA interventions under CDB’s core TA programme^{4/}. The Bank’s Special Development Fund (SDF) Contributors have continued to stress the use of the Bank’s TA operations in the implementation of major cross-cutting themes of gender equality, capacity development and good governance.^{5/} Contributors also stressed the importance of the continued strengthening of CDB’s own capacity to undertake the approved level of operations in an effective and timely manner, including a continuation of the necessary measures of institutional reform.^{6/} It is anticipated that most of CDB’s internal capacity building will be financed through TA.

1.03 The management of CDB’s TA operations has also changed over time. The TA Unit established in the Bank Secretary’s department to administer TA was eventually transformed into the Technical Cooperation Unit, before being eventually dissolved with the reorganisation of the Projects Department (PD) in 2002. A subsequent re-organisation of PD maintained the overall decentralisation of sector specific TA preparation, supervision and monitoring to individual departments/divisions and specialists within the Bank, but provided for the management of TA interventions related to cross-cutting thematic areas of gender, environment and disaster risk management, capacity development, institutional development, climate change and good governance under the ambit of a fourth division in PD – the Project Services Division (PRSD). In March 2012, PRSD was disbanded and all TAs of a cross-cutting nature, or those related to Regional Cooperation and Integration (RCI) now fall under the ambit of a newly formed Technical Cooperation Division (TCD).

CHALLENGES AFFECTING CDB’S TA PROGRAMME

^{4/}The core TA programme relates to those TAs which are financed solely from CDB’s TA resources and which are managed using CDB’s institutional arrangements.

^{5/}Replenishment of the Resources of SDF 7. Resolution and Report of Contributors on SDF 7. February 2009, page 3.

^{6/}Ibid.

1.04 The changes in TA financing and management reflect, in part, the experience garnered by both the wider development community over the past 40 years. TA interventions throughout the Caribbean region have served various purposes and have been characterised by multiple, and sometimes, conflicting objectives among donor agencies and beneficiary governments and institutions in member countries. Donor agencies have used TA for scrutiny and control, short-term boosting of public institutional performance, long-term capacity development, supporting national interests as well as promoting commercial objectives, programme design or monitoring and supervision, among other reasons.^{7/} Recipient countries, on the other hand, have viewed TA as an instrument for, *inter alia*, gap filling, for budgetary support, for capacity development, for gaining access to operating costs and equipment, and for mollifying impatient donors.

1.05 The most recent evaluation, which covered the period 2000-04, clearly highlighted existing weaknesses in terms of the strategic relevance and programmatic coherence of TA portfolio, overall coordination of TA portfolio, management of TA performance, TA supervision and reporting, monitoring and evaluation of TA interventions, management of TA information and the skills-mix to support effective management of the Bank's TA operations. The Final Report of March 2007 (the Evaluation Report) identified 15 critical success factors for an effective TA operation, recommended specific actions by the Bank to address the weaknesses itemised above and provided key lessons learnt to inform the implementation of the recommendations. The Evaluation Report's 10 main recommendations are presented in Appendix I.

1.06 Many of the findings and recommendations set out in the Evaluation Report remain relevant and are consistent with feedback received in 2010 from CDB's internal and external stakeholders including management and staff, project personnel attached to a sample of CDB-financed projects and donor partners with operations in the Caribbean. These stakeholders indicated that, while CDB's TA was perceived as a very useful programme to complement the Bank's programmes and services, several shortcomings highlighted in the Evaluation Report had not yet been addressed. Stakeholders felt, firstly, that TA was not managed in a strategic way in that there were no clearly articulated objectives, strategy, result-framework and priority areas and, secondly, that CDB's TA programme needed to be better anchored within the countries' priorities and the Bank's results frameworks (SDF objectives, CDB's strategic objectives and corporate priorities and the Caribbean Millennium Development Goals)^{8/}.

1.07 CDB's stakeholders indicated that the decentralised structure for TA management was not considered optimal. In the absence of systematic and continuous staff training, the quality of TA preparation, appraisal documents, supervision and monitoring tended to vary. However, views on the most appropriate organisational structure for TA programme were mixed, though most respondents favoured the then operational PRSD as an appropriate location for TA programme. Views diverged on the roles and responsibilities of a proposed TA Focal Point, as recommended by the Evaluation Report, ranging from a basic clearinghouse function to a more formalised responsibility for developing and writing all TAs. There was also a strong perception among stakeholders that several internal bottlenecks, of mainly a process and procedural nature, prevented the Bank from efficiently managing its TA programme.

^{7/}An Evaluation Study of the Technical Assistance Operations of the CDB 2000 to 2004. Final Report, March 2007, International Development Management Advisory Group, Inc in association with Rideau Strategy Consultants Ltd. Executive Summary page 16.

^{8/}Consulting Services to Review the CDB Technical Assistance Programme Inception Mission/Workplan – Revised and Final. Universal Management Group. June 2010. Page 2.

CDB'S TA POLICY AND OPERATIONAL STRATEGY

1.08 CDB's TA Policy and Operational Strategy are based upon the findings and recommendations of the Evaluation Report and the previous evaluations of CDB's TA operations, the feedback from internal and external CDB stakeholders as well as approaches used by other Development Agencies in the management of TAs. These inputs are all reflected in CDB's TA Policy and related organisational commitments to which TA Operational Strategy is tied. The TA Policy and Operational Strategy document itself represents the implementation of the Evaluation Report's first recommendation related to the development of a policy framework and strategy to provide greater strategic focus for TA operations.

1.09 The TA Policy and Operational Strategy focus on TA interventions which are financed from CDB's resources and which are managed using CDB's institutional arrangements (the "core" TA programme) as well as on TA interventions which have separate financing arrangements, such as the Basic Needs Trust Fund (BNTF) and the Caribbean Aid for Trade and Regional Integration Trust Fund (CARTFund). In addition to the inputs listed above, CDB's TA Operational Strategy also addresses key process and procedural issues, which impact upon the efficiency and effectiveness of the Bank's TA operations. Such process issues include the need to better anchor the identification of new TA interventions within the development of the Country Strategy Papers (CSPs) at the national and sector levels and to strengthen the linkages between proposed TA and other planned interventions generated by the CSP process, including Investment Loans and Policy-Based Loans (PBLs). The emphasis on maintaining consistency between the interventions developed out of the CSPs and CDB's SDF commitments, strategic objectives and corporate priorities is already inculcated within the Bank, thus the connection to the Bank's Management for Development Results (MfDR) framework is already in place at the project/programme level. The TA Operational Strategy also addresses procedural issues related to the categorisation and approval of TA interventions, which would address the internal bottlenecks currently being experienced in the Bank's appraisal process.

1.10 Several initiatives aimed at enhancing the results-orientation of CDB's operations have been implemented, many of which were initiated after the last evaluation. Such initiatives include the application of Gender Equality Policy to all Bank lending and activities, the engagement of a Quality Assurance Consultant to strengthen the results-focus of CDB's programme/project appraisal and supervision processes, the refinement of the indicators at Level 1 and 2 of the SDF 7 Results Monitoring Framework, capacity building in MfDR within the BNTF and other arms of CDB's operations, the formation of an internal Results Committee and the engagement of two Results Experts within the Corporate Planning Division (CPD).^{9/} This TA Operational Strategy document seeks to ensure consistency with these initiatives in outlining the way forward for CDB's TA programme.^{10/}

^{9/}In extending MfDR to its TA portfolio, the Bank is committed to the application to its TA of relevant standards for quality at entry, quality of supervision, and quality of results.

^{10/}TA Strategy has also been informed by an updated review of the main characteristics of CDB's TA portfolio over the 5 year period 2006 to 2010 aimed at pinpointing newer trends or issues since the last evaluation.

2. CDB'S TA POLICY

2.01 CDB's TA Policy addresses the issues raised by the previous TA programme evaluations and the concerns expressed by the Bank's stakeholders about the effectiveness and efficiency of CDB's TA Operations. The TA Policy is as follows.

RATIONALE

2.02 The provision of TA is one of the principal functions of CDB under its Charter and an important complement to its investment lending and broader advisory roles.

2.03 TA operations are designed to assist its Borrowing Member Countries (BMCs) in accelerating their economic development through planning, programme development and implementation and institutional support at the level of individual projects and in national economic management. The Bank also makes use of TA resources to support important interventions which are regional in scope.

2.04 TAs are funded through both **Special Fund Resources (SFR)** and Ordinary Capital Resources (OCR), with the preponderance of TA interventions provided to BMCs at concessionary rates associated with SFR financing. TA operations can therefore have a high payoff for both BMCs and CDB in terms of the BMCs' development agendas and national/strategic priorities. TA interventions also provide support for the Bank's investment-related project operations and its policy-based lending.

2.05 CDB recognises the importance of ensuring that its highly diverse TA operations maintain strategic focus, programme coherence and a strong results-orientation, especially, but not exclusively, for very small regional TAs. CDB also recognises that the success of its TA interventions is inextricably linked to the quality of its entire TA programme/project management cycle and to the strength of its TA design, supervision, monitoring and evaluation systems.

2.06 The Bank is aware of the capacity building in TA design and execution required at the BMC level to enhance the effectiveness of TA projects funded in support of a country's development objectives. CDB also acknowledges the complementarity between its focus on strengthening regional programming and governance/institutional systems and **its designation of dedicated resources for critical TA functions, including monitoring the Bank's annual TA work programme and pipeline of projects, reporting on portfolio performance and assessing projects at risk.** Therefore, the Bank is committed to focusing resources on strengthening the structure, programming and execution of its TA operations to enhance its overall development impact in the region.

GOAL

2.07 **This TA Policy seeks to enhance the development effectiveness of the Bank's TA Programme** by clearly presenting the objectives and core commitments of CDB's TA operations.

OBJECTIVES

2.08 The objectives of TA Policy are:

- (a) To align TA Programme to CDB's strategic objectives, poverty reduction strategy, SDF and OCR commitments.
- (b) To strengthen the operational focus for TA programming, monitoring, reporting and control.

- (c) To reinforce the application of “best practice” at each stage of TA programme/project management cycle.
- (d) To inculcate adherence to the principles of Development Effectiveness and MfDR in the management of TA interventions within CDB and its BMCs.

CORE COMMITMENTS

2.09 To fulfill the goal and objectives of the TA Policy, CDB commits to:

- (a) Developing a TA operational framework to provide greater strategic focus and enhance overall TA programme management.
- (b) Strengthening the synergies between TA operations and the Bank’s investment and policy-based lending.
- (c) Developing synergies between TA operations and the Bank’s other policies and strategies.
- (d) Assessing TA performance and results through application of appropriate performance criteria to the entire TA programme/project management cycle.
- (e) Improving the management of TA information.
- (f) Intensifying focus and resources on TA Quality-at-Entry.
- (g) Strengthening and resourcing TA supervision and monitoring.
- (h) Formalising and resourcing end-of-project performance assessment, key issues and lessons learned.
- (i) Establishing a TA Focal Point for dedicated handling of TAs as well as the regional programming and central governance work that rely heavily on TA to achieve objectives.
- (j) Strengthening the Bank and in-country capacity to design and execute TAs in accordance with the Development Effectiveness principles of Ownership, Alignment, Harmonisation, MfDR and Mutual Accountability.
- (k) A simplified process for small events-related TAs.

3. CDB'S TA OPERATIONAL STRATEGY

STRATEGIC PILLARS

3.01 CDB's TA Strategy will be based upon the following four (4) main strategic pillars which are directly linked to and broadly categorise the Bank's Core Commitments for implementing TA Policy:

- (a) Pillar 1: Strengthening Strategic and Organisational Focus on TAs.
- (b) Pillar 2: Improving TA Performance.
- (c) Pillar 3: Improving TA Operational Efficiency.
- (d) Pillar 4: Building Capacity in TA Management.

TA STRATEGY COMPONENTS

3.02 The four main pillars of CDB's TA Strategy consist of 15 specific components.

PILLAR 1: STRENGTHENING STRATEGIC AND ORGANISATIONAL FOCUS OF TAs

Component 1.1: Establishment of a TA Focal Point

3.03 Effective coordinated oversight, supervision and monitoring is required to ensure that TA is in alignment with the Bank's strategic objectives, to achieve the anticipated outcomes and contribute to development impacts. In keeping with the findings and recommendations of the March 2007 Evaluation Report, this will be achieved through the establishment of a TA Focal Point - the TCD of PD. This TA Focal Point will perform *inter alia* a screening function, which involves assessing TA requests based on specific criteria (such as the link to the Country Strategy, consistency with CDB's Strategic Objectives/Corporate Priorities, consistency with national development objectives of CDB BMCs etc.).

3.04 The organisational arrangement for TCD will, therefore, be as follows:

- (a) **Staffing:** TCD initially will consist of a Division Chief (DC), supported by professional and administrative support staff, who may be augmented by short-term consultants as necessary. An additional resource will be provided to support the work of the Division.
- (b) **Primary Role:** TA Focal Point will be responsible for:
 - Preparing the annual TA Work Programme to be considered and approved by Senior Management.
 - Screening TA requests in accordance with established selection criteria.
 - Preparing semi-annual TA status reports to senior management, including the highlighting of TA projects "at risk" and related recommendations.
 - Reviewing, providing feedback and making recommendations on proposals for events-related TAs prior to their submission for approval.
 - Reviewing, providing feedback and making recommendations for proposals for non events-related TAs up to USD150,000 prior to their submission for approval.

- Reviewing TA interventions tied to CSPs and PBLs and those related to institutional strengthening/capacity building, gender mainstreaming and good governance.
- Preparing the Division's TA proposals and supervising the Division's TA projects.

(c) **Results Cascade:** TCD will support the further strengthening of MfDR at the Bank, based on the Bank's results cascade of strategic objectives and corporate priorities. TCD will support those corporate priorities which specifically focus on developing capacity at the institutional, national and regional levels under each of the Bank's five strategic objectives.

Organisational Placement

3.05 As stated above, the TA Focal Point, will be located within the PD. Annually reporting on the performance of TA portfolio will be the responsibility of the Coordinator for Quality Assurance and Monitoring (QA&M) in the office of the Vice-President (Operations) (VPO). This would ensure independence in the monitoring of TAs, and would remove the probable conflict of interest in having TA Focal Point involved in the screening, appraisal, monitoring and oversight of all TA projects. However, TCD staff would be involved in the preparation and supervision of their own TA projects. Where requests for TA are related to areas which fall directly within TCD's ambit, (such as Governance/Institutional Development), the required screening will be undertaken by the Director of Projects. TCD's work programme for the period 2013-14 is presented at Appendix 2.

Component 1.2: Strengthening the process for TA selection

Investment-related and PBL-related TA

3.06 The Bank shall assign priority to investment-related TA and TA interventions which support PBL objectives which originate during the process of preparation/appraisal of investment projects or PBLs which are under consideration by the Bank and to which they are tied. Investment-related interventions (projects, and TAs) and PBLs would be generated out of CSP process, among others.

Other TA

3.07 After investment-related and PBL-related TA, priority will be given to other country and sector level TA proposals which are consistent with an approved CSP and to regional TA proposals following the strategic priorities regional public goods (RPGs), transnational public goods (TPGs), and national/sub-regional public goods linked to RPGs/TPGs included in an approved operational RCI programme. Priority will also be given to other capacity building TAs in areas related to the Bank's operations.

3.08 Each TA request will continue to be screened in terms of its strategic fit (i.e., its connection to CDB's strategic objectives and corporate priorities). Once the strategic fit has been established, TA request will be assessed in accordance with the order of priorities presented in paragraphs 3.06 and 3.07.

PILLAR 2: IMPROVING TA PERFORMANCE

Component 2.1: Strengthening Quality of TA Design (Quality at Entry)

3.09 TA standards shall include:

- (a) Clear rationale for the particular TA and the value-added of its linkage to support a specific sector or programme/project.
- (b) Rigorous and systematic organisational assessment in the case of capacity-development TAs of a cross-sectoral nature (including governance, gender, violence and crime prevention, climate change and poverty reduction).
- (c) Stakeholder analysis in TAs that include project preparation surveys, workshops, and design studies for which stakeholder consultations are important.
- (d) A results framework for monitoring and evaluation that provides indicators for gender issue analysis at all result levels. The framework will have clear provisions for data gathering systems, including sex disaggregated - baseline data if required, and appropriate specification of outputs and expected outcomes.
- (e) An implementation plan, including appropriate timing and sequencing of activities.

3.10 An appropriate checklist and rating system for TA quality at entry, with distinctions for size and type of TA, shall be developed and implemented. This checklist will be included within the revised TA Operations Manual (TAM) to reflect consistency with CDB's TA revised strategy.

Component 2.2: Strengthening Quality of TA Supervision and Reporting

3.11 Upon entry, the originating unit shall designate a Bank officer to be responsible for TA throughout the project cycle, from entry through to project completion. This responsibility includes oversight of all aspects of TA implementation (including management of financial resources, risks, and achievement of targeted results as well as implementation of the relevant quality standards and reporting requirements) supported by other Bank departments or divisions as warranted.

3.12 The originating division in partnership with the appropriate in-house specialists, where necessary, will also be responsible for the ongoing supervision and monitoring of their TA projects during implementation. For each grant TA, the Bank specialist designated by the originating unit to be responsible for supervising the entire project cycle, shall ensure the timely filing of Project Monitoring Reports (PMRs) consistent with a new PMR template to be included in the revised TAM.

3.13 A TA Project Completion Report (PCR) will be developed and a PCR will be prepared upon completion of TA by the designated Bank Specialist responsible for TA.

Component 2.3: Strengthening TA Monitoring to Support Quality of Results

3.14 The principal objective of systematic monitoring of TAs is to ensure achievement of desired results, at output and outcome levels. The standards shall be made available to all Bank staff.

3.15 TCD will be responsible for overall tracking of TA progress across units and for compiling semi-annual status reports on TA portfolio to senior management, including an assessment of TAs 'at risk'. The Coordinator for QA&M will prepare an annual report to the Board on the status of TA portfolio, based mainly on PMRs and PCRs.

3.16 Provision will continue to be made for the modification of TA design to enhance the achievement of expected outcomes, once a sufficient case for such modification is made by the supervising officer.

Component 2.4: Enhancing TA Portfolio Performance Criteria

3.17 The Working Group on Evaluation Criteria and Ratings for Public Sector Evaluation of the Multilateral Development Bank-Evaluation Cooperation Group has not recommended a rating system or performance criteria specifically for TA operations. Nevertheless, TA performance criteria should also reflect the good practices cited by the Working Group, namely, *Relevance*, *Efficacy*, *Efficiency* and *Sustainability* (see Appendix 3 for Office of Independent Evaluation's (OIE) Performance Criteria for TA Interventions).

3.18 In accordance with best practices, TAs will be assessed according to the following core performance evaluation criteria: *Relevance*, *Achievement of Objectives* (an efficacy measure), *Delivery of Inputs and Conduct of Activities* and *Quality of Outputs and Outcomes* (an efficiency measure). Where appropriate, *Sustainability* should be assessed within the *Efficiency* (quality of outputs and outcomes) criterion. *Implementation Performance* is the complementary criterion to the core group and relates to the performance of CDB, the Beneficiary and the Consultants. CDB will periodically review these core criteria, in keeping with new development thinking which may emerge on their appropriateness for TA interventions.

3.19 The scoring method developed by OIE applies a - scoring and rating system corresponding to Highly Satisfactory, Satisfactory, Marginally Unsatisfactory, and Unsatisfactory in accordance with best practice. All events-related TAs over the USD40,000 threshold, and all non events-related TAs will be assessed using this^{11/} method. TA projects 'at risk' would be identified in terms of an overall performance rating of Marginally Unsatisfactory/Unsatisfactory.

3.20 This approach strongly emphasises the definition and measurement of output and outcome level results throughout the entire project/programme management cycle, which directly supports the Bank's focus on further strengthening its results-orientation. It is also consistent with the approaches that have been developed for the Bank's BNTF programme and for the revised templates for project appraisal, project supervision and PCRs. The new portfolio performance criteria would, therefore, ensure consistency across CDB's operations and is consistent with the methodology used by other donor partners.

Component 2.5: Strengthening TA Evaluation

3.21 An internal TA PCR will be prepared by the responsible staff member/unit within 90 days from the conclusion of every TA, except events-related TAs valued to a maximum of USD40,000 for which a consultant report will be sufficient. The PCR describes the level of achievement of intended results, and includes lessons learned.

^{11/}TAs valued USD1.0 million and over are currently assessed using the Bank's Project Performance Evaluation System (PPES). This system applies a five (5) point rating scale (ranging from Unsatisfactory to Excellent) to six (6) specific performance criteria (Strategic Relevance, Poverty Relevance, Efficacy, Cost Efficiency, Institutional Development Impact and Sustainability). CDB's performance and the performance of the Borrower/Executing Agency are also assessed.

3.22 A comprehensive evaluation of TA programme will be required every three years, linked to the SDF cycle as the main source of funding for TA.^{12/} An evaluation done in **Year three** of the SDF cycle can provide useful input into the subsequent SDF replenishment exercise.

Component 2.6: Improving Management of TA Information

3.23 Lessons of experience will be recorded in each PMR and PCR and the Bank's **project portfolio management system** will facilitate the generation of reports on these lessons learned by country, sector, CDB strategic objective, CDB corporate priority, by project/programme and type of TA instrument (loan, grant, use of funds, **contingently recoverable** loan etc.).

3.24 Every TA appraisal report will include a section on Lessons Learned by CDB in previously executed interventions of a similar nature.

3.25 Lessons Learned during the six-month reporting period will be summarised and included in the semi-annual TA status report prepared by TCD.

PILLAR 3: IMPROVING TA OPERATIONAL EFFICIENCY

Component 3.1: Implementing Distinct Processes for Handling TAs of Different Sizes

3.26 TAs related to workshops, meetings, seminars and similar events with a threshold of USD40,000 shall be considered events-related TAs. In this case, the originating unit shall designate a professional staff member to partner with **the relevant in-house specialist**, to be responsible for its processing, including the preparation of a concept memorandum with a cost estimate, terms of reference, and a results framework. These events-related TAs may be approved at the Director level.^{13/} TAs up to USD40,000 which do not relate to workshops, meetings, seminars and similar events, and all non events-oriented TAs will be appraised under the existing approval limits.

Component 3.2: Reviewing TA Application Procedures and Formats

3.27 The contents and level of detail of a TA application will be determined by the purpose, scale and complexity of the assistance required, the nature of the applicant and the form of financing proposed. The relevant TA monitoring and reporting templates will be aligned with this TA Operational Strategy document.

Component 3.3: Upgrading the Project Management Information System

3.28 Since the Bank's current management information system (MIS) for supporting project appraisal and supervision will be replaced, the replacement **project portfolio management system** shall include a module for TA projects which are not part of a combined CDB instrument (e.g., a combined Capital loan and TA) to ensure consistency with CDB's TA Strategy.^{14/} This TA module will reflect the new

^{12/}Triennial evaluations will be instituted after completion of the evaluation for the period 2005-11, which corresponds to the pre-TA Strategy implementation period. This evaluation is expected to serve as the baseline for the triennial evaluation 2012-14.

^{13/}CDB's management will determine the annual fixed budget for TAs of this nature.

^{14/}There shall also be a module of the project portfolio management system for other Bank operations, such as BNTF.

performance rating criteria and include all pertinent data, from registration of entry of a new TA proposal to the preparation and content of PMRs and PCRs in accordance with the new reporting templates.

3.29 The project portfolio management system will include a streamlined process for appraising, supervising and evaluating events-related TAs up to USD40,000.

3.30 The project portfolio management system shall be designed to facilitate the production of relevant reports on the status of TA portfolio and should trigger alerts to the TCD, the relevant Division Chief/Deputy Director and Director on the preparation of new TA projects, the status of PMR and PCR completion and 'at risk' TA projects.

3.31 The project portfolio management system will be fully compatible with other MIS used in the Bank which record and track project-related data.

Component 3.4: Revisiting Approval Limits and Signing Authority

3.32 At the moment, the Board approves TAs above USD150,000 and the President has approval authority for TAs of up to USD150,000.^{15/} The President is further involved in signing off on all TAs, which leads to a *pro forma* involvement since he/she either approves or recommends approval to CDB's Board.^{16/} Once the elements of this TA Strategy that focus on the quality assurance and performance of TAs are fully in place, adequately vetted and institutionalised, the financial limits governing TA review and approval process should be reviewed to facilitate more devolution of approval and signing authority. This will expedite review and appraisal of TAs and allow more optimal use of staff and management's time while still maintaining adequate financial controls over TA portfolio.

3.33 To facilitate eventual devolution of approval and signing authority, the staff training proposed as part of this TA Strategy (Pillar 4) will be among the first components implemented. Staff will receive in-depth training in CDB's policies, in the use of TA Operations Manual and in CDB's financial rules and regulations related to the Bank's TA interventions.

3.34 At the end of the strategy implementation period, a review of the existing limits will be conducted and recommendations for devolution developed, including identification of the mechanism for transitioning from the current system to the recommended system. Devolution will be undertaken in a manner which will not undermine the Bank's ability to ensure that proper checks and balances are in place. Compliance audits will be introduced to ensure adherence to CDB's rules and procedures.

PILLAR 4: BUILDING CAPACITY IN TA MANAGEMENT

Component 4.1: Revising TA Manual

3.35 The TAM will be revised to maintain consistency with the quality standards and procedural changes being implemented under the Strategy. The TAM will contain all of the relevant checklists and reporting formats for each stage of the TA project cycle.

^{15/}Current Approval Limits. For 2005-2009, of the total 124 SDF-financed grants/TAs approved, the President approved 79.0% and recommended 21.0% for Board consideration and approval. For 2006-2010, of the total 163 SDF-financed grants/TAs approved, the President approved 72.4% and recommended 27.6% for Board consideration and approval.

^{16/}A similar arrangement exists for the Bank's Loans Committee which adds another layer of review for TAs, including small grants.

Component 4.2: Enhancing TA Cycle Management Training for Staff^{17/}

3.36 The Bank will provide regular semi-annual training to all Operations Department staff, and relevant staff from other departments involved in the management of TA interventions, to ensure that a standardised management approach is adopted throughout the Bank and to support the implementation of quality standards.

3.37 In addition to training in TA appraisal and supervision processes and procedures, CDB will provide training in methodologies which support effective TA management including, gender issues analysis, stakeholder assessments, institutional analysis/capacity assessments, design modification and performance (results) management. Staff will also be trained in the use of TAM.

3.38 The Bank will identify and develop existing staff with specialist expertise in these areas, to serve as additional in-house technical support to TA Focal Point. TA Focal Point staff will also have specialist training and/or experience in the areas of institutional analysis/capacity assessments¹⁸ and one other of the identified areas.

Component 4.3: TA Training for BMCs

3.39 The Bank will provide in-country training to relevant officials in BMCs on how to develop, prepare, implement and monitor TA through a combination of national and regional workshops for project personnel attached to CDB-financed interventions. This should assist in fast-tracking the CDB internal process and reduce response time.

EXECUTION TIMEFRAME AND COSTS

3.40 Implementation of the proposed TA Operational Strategy is expected to take 24 months from the date of Board approval of TA Policy and Operational Strategy. Implementation will entail an organisation-wide effort involving departments and divisions across the Bank, under the leadership of the VPO. This is reflected in the Work Programme for Implementing TA Operational Strategy presented in Appendix 4. Certain components of the Work Programme have already been implemented, specifically the establishment of TCD as TA Focal Point and the development of the performance criteria by OIE to be used for TA design, supervision, monitoring and evaluation. CDB's management has determined the ceiling for small events-oriented TA to be USD40,000. The TA Manual is being revised to reflect the provisions in this TA Policy and Operational Strategy. Most of the sub-components of TA Operational Strategy are targeted for completion by the end of FY 2013. The deployment of TA module in the portfolio performance management system and the conduct of the tri-annual evaluation of TA programme are scheduled for completion in Financial Year (FY) 2014.

3.41 Implementation of TA Strategy is expected to be mainly financed from within the Bank's operating budget for FY 2012 through 2014, since most of the actions to be implemented are of a process, procedural or training nature. Management of TA will continue to be decentralised across the Bank and will continue to draw upon the multi-disciplinary staff resources as required. One additional TA officer will be provided to support TCD in the execution of the strategy. In the case of externally funded TA (e.g., initiatives such as CARTFund), resourcing will be determined on a case-by-case basis, where there are implications for the adequacy of CDB staffing to administer such programmes. The Bank will also

^{17/}The 2007 Evaluation Report highlighted a prevalent, though unstated assumption, that any staff member could work on TA and institutional issues without extensive experience or training, a premise which was not supported by the evidence. *An Evaluation Study of the Technical Assistance Operations of the Caribbean Development Bank 2000 to 2004*. Final Report, page 19.

^{18/}This recommendation supports the role of TA Focal Point in reviewing all TAs related to institutional strengthening and capacity development, as presented under Pillar 1.

leverage TA it provides to specialist institutions (e.g., the Inter-American Institute for Cooperation on Agriculture) to facilitate collaboration in the execution of the Strategy.

3.42 Two areas which may potentially require additional resourcing during the Strategy implementation period relate to (i) the upgrading of the project portfolio management system and (ii) the conduct of the tri-annual evaluation of the CDB's TA portfolio. Both of these expenditures may be accommodated within the work programmes of the respected departments. The development of TA Module will be included in the technical requirements for the replacement project portfolio management system. This project has been initiated. Engaging consulting services to conduct external evaluations of CDB's TA programme will be undertaken by OIE as part of its normal operations.^{19/}

MONITORING AND REPORTING ON TA OPERATIONAL STRATEGY RESULTS

3.43 The implementation of the CDB's TA Strategy is expected to yield substantial benefits to the Bank and its BMCs through consistent improvement in TA portfolio quality, performance and effectiveness over time. Responsibility for monitoring and/or reporting on the implementation and effectiveness of TA Strategy will be shared between the TCD and the Coordinator for QA&M. TCD will monitor and report semi-annually on the resulting changes to TA project pipeline, TA portfolio size and TA portfolio composition. The Coordinator for QA&M will assess, on an annual basis, the Strategy's impact upon the quality and strategic fit of TA portfolio, the efficiency of TA project cycle and the internal processes for TA appraisal, supervision and monitoring, including the deployment of the new project portfolio management system. His/her assessment would be included within the annual TA portfolio performance report submitted to the Board.^{20/}

3.44 In both cases, reporting will reflect the status of expected results from implementing TA Policy and Strategy, as presented in the high level Results Framework at Appendix 5. TCD will report on the expected results for the first Strategic Pillar. The Coordinator, QA&M will incorporate TCD's information in his/her analysis of the status of the expected results for all four Strategic Pillars and related sub-components.

3.45 In addition to the internal monitoring of TA Strategy, external evaluations of CDB's TA programme would also assess the outcomes of TA Operational Strategy, and especially on the achievement of the expected results for TA Policy. Of particular relevance would be the triennial evaluations to be conducted for the periods 2012-14 (which would cover the execution timeframe for TA Strategy) and 2015-17. The first of these evaluations is likely to occur in 2015. Additionally, the mid-term evaluation of the next SDF Cycle (Cycle 8) is expected to occur in 2014/15, and would also provide important insights into the achievements of TA Strategy at that point in time.

^{19/}Given the scope of TA Strategy, CDB would consider engaging a project management specialist, on contract for 12 – 18 months, to assist the VPO and TA Focal Point with its initial implementation. Alternatively, the Bank may recruit various consultants on a shorter-term basis to assist with implementing specific components of the Strategy.

^{20/}The Corporate Planning Division (CPD) would also need to include in its reports to the Bank's SDF Contributors an assessment of TA Strategy's impact upon CDB's strategic objectives and corporate priorities, and the extent to which the Strategy has enhanced fulfillment of SDF commitments.

CDB 2007 TA EVALUATION REPORT – 10 MAIN RECOMMENDATIONS

1. **CDB needs to further strengthen the strategic management of TA.** This would provide for a more integrated approach to priority setting and identification of intended results, and operationalisation of some TA-intensive strategic objectives and policies such as support for regional cooperation and integration, with consideration of an appropriate balance between different areas of TA. To make this possible, the Bank should develop a TA operational framework or strategy to provide greater strategic focus for TA operations.

As a part of such an operational policy framework, **greater emphasis can be given to increased coherence of TA programming in support of key priorities**, as distinct from ad hoc funding of individual TA requests, particularly regional TAs. All TAs should be regarded as a use of scarce resources and a tool for pursuing key objectives. Also as a part of such a framework, the Bank should consider identifying and developing “lines” of TA to enable a strengthening of TA design and supervision and increased learning from experience.

Particular emphasis should be given to linkages between successive or related TAs or other CDB interventions and with larger programmes or projects or ongoing priorities. Where possible, provision should be made in TA design for ongoing monitoring of results and/or consideration of possible follow-on supportive action.
2. **TA information for policy development and decision making needs to be improved.** A comprehensive database of all types of TA needs to be created and maintained, with some historical information for purposes of comparison and analysis. This is not currently available.
3. **The PPMS may need to be revised to make it more results-oriented and stronger as a tool to assess TAs at entry, and systematic use of the PPMS Pipeline Module as part of TA project review and approval process should be considered.**
4. **CDB should provide adequate incentives to ensure that some type of project completion report (PCR) is prepared at the end of every TA.** The PCR should be summative and express professional judgement on results and lessons learned. OIE should sample completion reports annually and conduct a substantiation desk audit. Some type of project completion report for every TA project, including, in a simplified form, for smaller TAs, should be a basic requirement of TA operations.
5. **The Bank should establish a TA Focal Point (TAPOINT) or RGTA Work Group in Project Services Division** to undertake the substantial work tasks that need to be done centrally.
6. **Priority should be given to systematic training and occasional follow-up workshops on TA management and experience, evaluation results and lessons learned**, drawing on the experience of both CDB and other MDBs, for all operations staff involved in TA work. This should include development of an updated manual of TA policies, criteria and procedures.
7. **More resources should be found for TA fieldwork**, including portfolio reviews, inception missions and supervision missions, particularly for higher risk institutional development TAs and complex TAs involving several partners.

8. **The Bank should use the standard PPES performance criteria for all TA projects over an appropriate lower limit, such as USD50,000 that would cover significant numbers and types of TAs.** We suggest that OIE should develop guidelines for scoring TAs against the standard criteria, and that OIE also consider defining key results and key results areas for TA, and whether tracking against key results might be a complement to the PPES performance criteria in the PPMS.
9. **Consideration should be given to establishing a TA Grants Fund** with a fixed ceiling on overall funding and simplified procedures. Such a fund might be \$120,000 per year.
10. **The synergies between the Bank's TA and its investment lending should be a continuing priority in TA operations,** including the use of targeted TA to address problems of project implementation as these arise.

TCD WORK PROGRAMME 2012-2014

ROLE AND FUNCTION

1.1 TCD will serve as the focal point for the implementation of the TA Policy of the Bank. This role incorporates TA to support (i) RCI, (ii) Caribbean Technological Consultancy Services (CTCS) and (iii) Public Policy Analysis and Management and Project Cycle Management [through the TCD Training Unit (TU)].

1.2 The work of the Division encompasses the range of relevant project cycle management activities for RCI and CTCS, and the delivery of training programmes in areas which support effective capacity development in BMCs.

1.3 TCD, through its DC, is expected to facilitate achievement of the following **outcomes** at the end of the Strategy implementation period:

- (a) Increased alignment of TA Programme to CDB's strategic objectives, poverty reduction strategy, SDF and OCR commitments.
- (b) Strengthened operational focus for TA programming, monitoring, reporting and control.
- (c) Increased application of best practice at each stage of TA programme/project management cycle.
- (d) Increased adherence to the principles of development effectiveness in the management of TA interventions within CDB and its BMCs.
- (e) Greater strategic focus and enhanced management of the overall TA programme.
- (f) Strengthened synergies between the Bank's TA operations and its investment lending operations.
- (g) Effective utilisation of the Bank's resources for technical cooperation activities, and in conformity with funding conditions.
- (h) Increased alignment of work programme of TU to capacity development needs of the BMCs and the Bank.
- (i) Achievement of CDB's development assistance objectives related to TU and CTCS.
- (j) Increased relevance of CTCS interventions to the region's business sector, in collaboration with the Private Sector Development Unit.

2012-14 WORK PROGRAMME

CTCS	Regional TAs	PPMTU
On-Line TA	CARTFund TA Projects	Launch of the Training Programme
Direct TA Projects (MSMEs)	Launch of EPA and CSME Stand by Facilities	National, regional and collaborative workshops
Group Training Attachments	Supervision of TA projects in the thematic areas of Capacity	Evaluation of training programmes
CTCS Publications	Development and Good Governance. Implementation of the TA Policy and Strategy	Training Needs Assessment
Training Workshops		Training of Trainers workshops
		Integration of ICTs in training delivery options
		Development of training modules

PERFORMANCE CRITERIA FOR TA INTERVENTIONS

1.1 The Working Group on Evaluation Criteria and Ratings for Public Sector Evaluation of the MDB-ECG has not recommended a rating system or performance criteria specifically for TA operations. Nevertheless, TA performance criteria should also reflect the good practices cited by the Working Group, namely, *Relevance, Efficacy, Efficiency* and *Sustainability*.

1.2 In accordance with best practices, TAs will be assessed according to the following core performance evaluation criteria: *Relevance, Achievement of Objectives* (an efficacy measure), *Delivery of Inputs and Conduct of Activities* and *Quality of Outputs and Outcomes* (an efficiency measure). Where appropriate, *Sustainability* should be assessed within the *Efficiency* (quality of outputs and outcomes) criterion. *Implementation Performance* is the complementary criterion to the core group and relates to the performance of CDB, the Beneficiary and the Consultants.

CORE EVALUATION CRITERIA AND SCORING

1.3 The assessment of the performance criteria applies a 4-integer scoring and rating system.

Relevance

1.4 The rationale for TA should be assessed, as well as, the adequacy of its formulation (including the level of stakeholder participation and ownership). A checklist such as in Table 1 may be employed in assessing *Relevance*. A concise summary of the principal factors justifying the rating should be provided.

TABLE 1: RELEVANCE CHECKLIST FOR TA INTERVENTIONS

RELEVANCE SUB CRITERIA
(a) Adequacy of sector analysis and identification of the problem or issue required to establish the rationale for TA (assessment may be a reconfirmation of the problems outlined in the country strategy).
(b) Consistency with CDB’s strategic objectives, its corporate objectives, and SDF 6’s or later Contributor’s Report.
(c) Consideration of alternative responses to the identified problem or issue.
(d) Consistency with country developmental priorities (sector given priority in the BMC development plan).
(d) Consideration of lessons learned from related TAs and other operations in the country.
(e) Consideration of constraints to the achievement of results.
(f) Appropriateness of TA outcome and outputs.
(g) Appropriateness of the timing of TA.
(h) Extent to which stakeholders see TA as their own.

ASSESSMENT	SCORE	RATING
Sub-Criteria [(a - h)] Met	4	Highly Satisfactory
Sub-Criteria [(a - d), (f) and (h)] Met	3	Satisfactory
Sub-Criteria [(a or b) and (h)] Not Met	2	Marginally Unsatisfactory
Sub-Criteria [a or b] Not Met	1	Unsatisfactory

Achievement of Objectives

1.5 This criterion is a measure of efficacy and assessment indicates whether the objectives of TA were achieved or are expected to be achieved. In assessing this criterion during implementation or evaluation, the focus should be on what went right, what went wrong, and the results. If a change in scope was made during implementation, the reasons for the change and the effect on the expected outcome should be considered and assessment should be made against the new outcome. Indirect, unplanned or adverse consequences of TA should also be assessed. Table 2 provides a checklist of sub criteria applicable in assessing achievement of the planned objectives of TA. A concise summary of the principal factors justifying the rating should be provided.

TABLE 2: ACHIEVEMENT OF OBJECTIVES CHECKLIST FOR TA INTERVENTIONS

ACHIEVEMENT OF OBJECTIVES SUB CRITERIA		
(a) Objectives achieved as defined in TA or are expected to be achieved.		
(b) Expected outcomes achieved or are expected to be achieved.		
(c) Factors affecting achievement of the expected outcomes identified and impact considered.		
(d) Resulting outputs (consultants' reports, technical studies) were well prepared, practical and cost-effective.		
(e) Client satisfaction with nature, extent, delivery and timeliness of outcomes achieved.		
(f) Reasons justifiable for deviating from objectives.		
ASSESSMENT	SCORE	RATING
Sub-Criteria [a - e] Met	4	Highly Satisfactory
Sub-Criteria [a, b, d] Met	3	Satisfactory
Sub-Criteria [a or b, d] Not Met	2	Marginally Unsatisfactory
Sub-Criteria [a - e] Not Met	1	Unsatisfactory

Delivery of Inputs and Conduct of Activities

1.6 This criterion assesses the appropriateness of delivery of inputs needed to achieve the objectives of TA and the conduct of activities. Table 3 provides a checklist for assessing this criterion. A concise summary of the principal factors justifying the rating should be provided.

**TABLE 3: DELIVERY OF INPUTS AND CONDUCT OF ACTIVITIES
CHECKLIST FOR TA INTERVENTIONS**

DELIVERY OF INPUTS AND CONDUCT OF ACTIVITIES SUB CRITERIA		
(a) Economy of input provision (the relative cost of input provision). (b) Productivity of the inputs (conversion into outputs). (c) Counterpart resources/inputs provided by relevant stakeholders at levels allocated. (d) Quality of inputs satisfactory and provided when required. (e) Reasons for deviating from planned inputs and activities. (f) Client satisfaction with the nature, extent, delivery and timeliness of inputs provided.		
ASSESSMENT	SCORE	RATING
Sub-Criteria [a - e] Met	4	Highly Satisfactory
Sub-Criteria [a - c] Met	3	Satisfactory
Sub-Criteria [c - e] Not Met	2	Marginally Unsatisfactory
Sub-Criteria [a - e] Not Met	1	Unsatisfactory

Quality of Outputs and Outcomes

1.7 This criterion, which is a measure of efficiency, assesses the quality of TA’s outputs and outcomes, including the reports produced, presentations made, technology transferred, systems implemented, personnel trained and achievement of time-bound targets. It also assesses client satisfaction with outputs and the timeliness of delivery of outputs. In cases where the output of TA is a service that is expected to be of value over an extended period of time, (e.g., strengthening the capacity of an agency through skills development) sustainability of the capacity building outcome should also be considered. Table 4 provides a checklist for assessing this criterion. A concise summary of the principal factors justifying the rating should be provided.

**TABLE 4: QUALITY OF OUTPUTS AND OUTCOMES CHECKLIST
FOR TA INTERVENTIONS**

QUALITY OF OUTPUTS SUB CRITERIA		
(a) Achievement of time-bound targets. (b) Quality of outputs (reports, presentation, technology transfer, staff trained) and outcomes. (c) Client satisfaction with nature, extent, delivery and timeliness of outputs produced. (d) Timely completion; within budget; and satisfactory follow-up/supervision. (e) Reasons for deviating from planned outputs. (f) Likelihood of sustainability of outcomes (capacity building, skills development) achieved.		
ASSESSMENT	SCORE	RATING
Sub-Criteria [a - e] Met	4	Highly Satisfactory
Sub-Criteria [a - c] Met	3	Satisfactory
Sub-Criteria [c - e] Not Met	2	Marginally Unsatisfactory
Sub-Criteria [a - e] Not Met	1	Unsatisfactory

COMPLEMENTARY EVALUATION CRITERION FOR TA INTERVENTIONS**Implementation Performance**

1.8 The implementation performance criterion assesses the implementation of TA with regard to CDB, the Beneficiary of TA and the Consultants engaged to develop and deliver specific outputs of TA. Any significant changes occurring between preparation of TA and implementation (including changes in the context in which TA was carried out) should be taken into consideration in the assessment.

1.9 The checklist at Table 5 provides major performance sub criteria for assessment of implementation performance of TA. The performance of CDB, Beneficiary and Consultants engaged in the formulation and implementation process, should be assessed separately. Assessment of implementation performance is not aggregated into the overall performance rating of TA.

1.10 The overall assessment of TA should include performance aspects such as adherence to time^{21/} and cost^{22/} schedules; compliance with covenants; adequacy of monitoring, evaluation and reporting; and efficiency of operations.^{23/} A concise summary of the principal factors justifying the rating should be provided.

^{21/}Delay in implementation (difference between the original completion date and the actual completion date of TA).

^{22/}Cost variation (difference between appraisal cost estimates and actual expenditure).

^{23/}Utilisation of inputs and level of productivity (conversion of inputs to outputs and outcomes).

**TABLE 5: IMPLEMENTATION PERFORMANCE CHECKLIST
FOR TA INTERVENTIONS**

IMPLEMENTATION PERFORMANCE SUB CRITERIA		
1. CDB PERFORMANCE		
(a) Clarity of the statement of expected results; quality at entry of TA. (b) Clarity and comprehensiveness of the terms of reference. (c) Efficiency of the delivery process (start up, disbursement, audit, closure). (d) Timeliness and quality of CDB's responses to the beneficiary agency's requests for changes during implementation. (e) Adequacy of CDB supervision, including CDB staff continuity; frequency, composition, and length of review missions.		
ASSESSMENT	SCORE	RATING
Sub-Criteria [a - e] Met	4	Highly Satisfactory
Sub-Criteria [a - c] Met	3	Satisfactory
Sub-Criteria [c - e] Not Met	2	Marginally Unsatisfactory
Sub-Criteria [a - e] Not Met	1	Unsatisfactory
2. BENEFICIARY PERFORMANCE		
(a) Extent of participation at the design stage and of subsequent support for the CDB supervision, review, and performance evaluation process. (b) Degree of support for TA including the availability and performance of counterpart staff. (c) Adequacy of counterpart funds, facilities, equipment and services throughout implementation. (d) Compliance with procurement requirements. (e) Compliance with monitoring, evaluation and reporting requirements. (f) Appropriate utilisation of TA results.		
ASSESSMENT	SCORE	RATING
Sub-Criteria [a - d] Met	4	Highly Satisfactory
Sub-Criteria [a - c] Met	3	Satisfactory
Sub-Criteria [c - d] Not Met	2	Marginally Unsatisfactory
Sub-Criteria [a - d] Not Met	1	Unsatisfactory
3. CONSULTANT PERFORMANCE		
(a) Quality of staff on TA. (b) Compliance with the terms of reference. (c) Timeliness of TA outputs. (d) Quality of cooperation with the beneficiary agency.		
ASSESSMENT	SCORE	RATING
Sub-Criteria [a - d] Met	4	Highly Satisfactory
Sub-Criteria [a - c] Met	3	Satisfactory
Sub-Criteria [c - d] Not Met	2	Marginally Unsatisfactory
Sub-Criteria [a - d] Not Met	1	Unsatisfactory

OVERALL PERFORMANCE RATING FOR TA OPERATIONS

1.11 The overall rating is based on separate assessments of four core evaluation criteria:

- (a) ***Relevance.***
- (b) ***Achievement of Objectives.***
- (c) ***Input Delivery and Conduct of Activities.***
- (d) ***Quality of Outputs.***

1.12 The overall outcome rating of an intervention is determined by separately evaluating and ranking the four core evaluation criteria. Each core criterion is assigned a whole-number rating on a scale of 1 to 4. The overall performance score of the intervention is an arithmetic average²⁴ of the total scores for the core criteria and also ranges between 1 and 4. Since the overall performance score is calculated as an arithmetic average of the scores for the core criteria, the overall score for the intervention may therefore include a decimal point.

1.13 The numerical averages are then converted into the descriptive ratings that are applied for the four core criteria and the complementary evaluation criteria, namely: ***Highly Satisfactory, Satisfactory, Marginally Unsatisfactory*** and ***Unsatisfactory***. Fixed cut-off points are used to assign the appropriate descriptors to the aggregate numeric score. Table 6 provides a list of the Fixed Cut-off Score Points, Rating and guidelines for determining the overall performance rating for TA interventions. A concise summary of the principal factors justifying the rating should be provided.

²⁴ Overall Score for TA Interventions = [Relevance Score + Achievement of Objectives Score + Input Delivery & Conduct of Activities Score + Quality of Outputs & Outcomes Score]/4

TABLE 6: OVERALL PERFORMANCE RATING FOR TA INTERVENTIONS

FIXED CUT-OFF SCORE POINTS	RATING	ASSESSMENT CONDITIONS
Overall average is: > 3.25 and ≤ 4.00	<i>Highly Satisfactory</i>	There were no deficiencies in the intervention's <i>Relevance</i> ; <i>Outcomes achieved exceeded targets</i> ; <i>Delivery of Inputs and Conduct of Activities</i> were timely and cost effective; <i>Quality of Outputs</i> exceeded expectations; <i>Implementation Performance</i> of CDB, Beneficiary Agency and other stakeholders was exemplary.
Overall average is: > 2.50 and ≤ 3.25	<i>Satisfactory</i>	There were minor deficiencies in the intervention's <i>Relevance</i> ; <i>Outcomes were achieved</i> as planned; <i>Delivery of Inputs and Conduct of Activities</i> were timely; <i>Quality of Outputs</i> met expectations; <i>Implementation Performance</i> of CDB, Beneficiary Agency and other stakeholders was satisfactory.
Overall average is: > 1.75 and ≤ 2.50	<i>Marginally Unsatisfactory</i>	There were moderate deficiencies in the intervention's <i>Relevance</i> ; the major <i>Outcomes were achieved</i> ; <i>Delivery of Inputs and Conduct of Activities</i> were not timely; <i>Quality of Outputs</i> was acceptable; <i>Implementation Performance</i> of CDB, Beneficiary Agency and other stakeholders was satisfactory.
Overall average is: > 1.00 and ≤ 1.75	<i>Unsatisfactory</i>	There were major to severe deficiencies in the intervention's <i>Relevance</i> ; major <i>Outcomes were not achieved</i> ; <i>Delivery of Inputs and Conduct of Activities</i> were not timely; <i>Quality of Outputs</i> was inadequate; <i>Implementation Performance</i> of CDB was satisfactory but that of the Beneficiary Agency and other stakeholders was unsatisfactory.

WORK PROGRAMME FOR IMPLEMENTING TA OPERATIONAL STRATEGY

Strategy	Components	Actions required	Responsibility	Timeframe	Comments
1 – Strengthening Strategic and organisational Focus on TA	1.1 Establish a TA Focal Point	<ul style="list-style-type: none"> Agree on role, responsibilities and organisational placement of TA Focal Point 	Advisory Management Team	Completed	TA Focal Point established as TCD.
	1.2 Reviewing TA selection process and priority ranking	<ul style="list-style-type: none"> Agree on proposed priority criteria for TAs Communicate proposed priority ranking to Operations staff 	Operations Management VPO	Dec 2012 Jan 2013	
2 – Improving TA performance	2.1 Strengthening TA design (Quality at entry)	<ul style="list-style-type: none"> Develop the checklist and rating system for TA Quality At Entry, 	OIE	Completed	
	2.2 Strengthening quality of TA supervision and reporting	<ul style="list-style-type: none"> Develop a checklist for TA Quality of Supervision, Design revised format for TA monitoring and completion reports Budget for annual supervision visits for “at risk” TAs over the events-oriented TA threshold Subject all large TAs to periodic supervision review by inter-departmental (inter-specialist) teams 	OIE	Completed	
			Consultant	Dec 2012	
			Operations Management	FY 2013	
2.3 Strengthening TA monitoring to support Quality of results	<ul style="list-style-type: none"> Develop standards for monitoring TA results Report quarterly to the Advisory Management Team (AMT) on the progress of CDB’s TA portfolio Report annually to CDB’s management and Board on the status of CDB’s TA portfolio 	OIE	Completed		
		Coordinator, QA&M (VPO Office) Coordinator, QA&M (VPO Office)	From FY 2013 From FY 2013		
	2.4 Enhancing Portfolio Performance Criteria	<ul style="list-style-type: none"> Adopt new evaluation criteria for TAs 	Operations Management, OIE	FY 2012	Consultative process

Strategy	Components	Actions required	Responsibility	Timeframe	Comments
	2.5 Strengthening TA evaluation	<ul style="list-style-type: none"> Institute tri-annual Evaluation of CDB's TA portfolio (by external consultants) 	OIE	From FY 2014	
	2.6 Improving management of TA information	<ul style="list-style-type: none"> Institute inclusion of lessons learnt from past CDB and/or other MDB interventions within TA appraisal reports 	Operations Management	FY 2013	
3 – Improving TA operational efficiency	3.1 Implementing distinct processes for handling TA grants of differing sizes	<ul style="list-style-type: none"> Define 'small TA' ceiling Develop streamlined process for management of "small TAs" 	AMT	Completed	
			Operations Management	FY 2013	
	3.2 Reviewing TA application procedures and formats	<ul style="list-style-type: none"> Develop revised TA monitoring and reporting templates 	Consultant	Dec 2012	
	3.3 Upgrading MIS	<ul style="list-style-type: none"> Develop and deploy a TA module in the project MIS 	IT, Operations Department	FY 2014	User requirements, development, user testing, deployment
	3.4 Revisiting approval limits and signing authority	<ul style="list-style-type: none"> Approve "in principle" the devolution of approval limits and signing authority to the Bank's senior and middle management 	BOD	Dec 2012	
4 – Building capacities in management of TA	4.1 Revising TA Manual.	<ul style="list-style-type: none"> Update TA Manual to reflect proposed priority ranking Update TA Manual to reflect Quality At Entry standards Update TA Manual to reflect Quality of Supervision standards Update TA Manual to reflect standards for monitoring TA results. Incorporate lessons learnt within Quality At Entry standards in updated TA Manual 	Consultant	Dec 2012	
			Consultant	Dec 2012	
			Consultant	Dec 2012	
			Consultant	Dec 2012	
			Consultant	Dec 2012	

Strategy	Components	Actions required	Responsibility	Timeframe	Comments
	4.2 Training of staff	<ul style="list-style-type: none"> Develop and finalise Training Plan based on revised TA Policy and Strategy and revised TA Manual Incorporate training in TA management and effectiveness within orientation programme for new staff Provide semi-annual training workshop on TA management and effectiveness for staff 	Consultant TCD, Human Resources and Administration (HR&A) TCD, HR&A	Dec 2012 FY 2013 FY 2013	
	4.3 Training of BMCs	<ul style="list-style-type: none"> Conduct national and regional training workshops on TA management for personnel in BMCs 	TCD	Annually from FY 2013	

**CDB'S TA POLICY AND OPERATIONAL STRATEGY
RESULTS FRAMEWORK**

TA POLICY	
EXPECTED RESULT(S):	Enhanced Development Effectiveness of CDB's TA operations
PERFORMANCE METRIC(S):	% of CDB-funded TA interventions achieving their stated development outcomes



STRATEGY 1: STRENGTHEN STRATEGIC AND ORGANISATIONAL FOCUS ON TAs	
EXPECTED RESULT(S):	<ul style="list-style-type: none"> (a) More strategic and coordinated TA selection (b) Strategic alignment and programmatic coherence of TA project pipeline increased (c) TA portfolio more integrated with other arms of CDB's operations
PERFORMANCE METRIC(S):	<ul style="list-style-type: none"> ➤ % of investment-related and PBL-related TAs in TA portfolio increased ➤ % of TA requests screened by TA Focal Point using approved criteria for TA prioritization and selection ➤ Reduction in the ratio of stand-alone, small events-oriented TAs to total annual TA approvals
STRATEGY 2: IMPROVE TA PERFORMANCE	
EXPECTED RESULT(S):	<ul style="list-style-type: none"> (a) Results-driven approach to managing TA project cycle
PERFORMANCE METRIC(S):	<ul style="list-style-type: none"> ➤ Degree of compliance with quality standards for TA (quality-at-entry, supervision, reporting, monitoring and evaluation/end-of-project assessment)
1.1.1 STRATEGY 3: IMPROVE TA OPERATIONAL EFFICIENCY	
EXPECTED RESULT(S):	<ul style="list-style-type: none"> (a) Accelerated TA project cycle
PERFORMANCE METRIC(S):	<ul style="list-style-type: none"> ➤ Reduction in average TA project cycle time

STRATEGY 4: BUILD CAPACITY IN TA MANAGEMENT

EXPECTED RESULT(S):

(a) Consistent approach to the management of TA interventions applied by CDB and its BMCs

PERFORMANCE METRIC(S):

- **% of BMC requests meeting CDB's screening and Quality-at-entry standards**
- **Frequency in BMCs' reporting on TA outcome level results**