



Technical Assistance Report

Project Number: 45280
Capacity Development Technical Assistance (CDTA)
December 2011

Socialist Republic of Viet Nam: Support to Improve Portfolio Performance and Aid Effectiveness

Asian Development Bank

CURRENCY EQUIVALENTS

(as of 7 November 2011)

Currency Unit	–	dong (D)
D1.00	=	\$0.000047
\$1.00	=	D21,010

ABBREVIATIONS

ADB	–	Asian Development Bank
JPPR	–	joint portfolio performance review
MPI	–	Ministry of Planning and Investment
ODA	–	official development assistance
PMU	–	project management unit
TA	–	technical assistance

TECHNICAL ASSISTANCE CLASSIFICATION

Type	–	Capacity development technical assistance (CDTA)
Targeting classification	–	General intervention
Sector (subsector)	–	Public sector management (economic and public affairs management)
Themes (subthemes)	–	Governance (economic and financial governance), capacity development (institutional development)
Location (impact)	–	National (high), regional (low)
Partnership	–	Agence Française de Développement, Japan International Cooperation Agency, KfW, Korea Eximbank, and World Bank

NOTE

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

Vice-President	S. Groff, Operations 2
Director General	K. Senga, Southeast Asia Department (SERD)
Director	T. Kimura, Viet Nam Resident Mission (VRM), SERD
Team leader	J. Hakim, Senior Project Management Specialist, VRM, SERD
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I. INTRODUCTION

1. Based on the findings and recommendations of the 2011 Asian Development Bank (ADB) country portfolio performance review and other official development assistance (ODA) management forums in Viet Nam, such as the Consultative Group, the Six Banks Group,¹ Inter-ministerial Task Force for ODA Management Problem Solving, and the Aid Effectiveness Forum, the Government of Viet Nam requested that ADB continue to assist in building Viet Nam's capacity in managing ADB-financed projects in particular and ODA in general. The concept paper for this technical assistance (TA) was approved on 10 November 2011. The scope, expected impact, outcome, outputs, and implementation arrangements were discussed and finalized during the TA fact-finding mission conducted on 17 November 2011.² The design and monitoring framework is in Appendix 1.

II. ISSUES

2. ODA has been an important catalyst for Viet Nam's rapid economic development, which has averaged 8% per year since 1997. From the resumption of development partner assistance to the country in 1993 until the end of 2010, the total ODA resource commitment amounted to over \$46.3 billion, of which \$29.7 billion has been disbursed. As Viet Nam has acquired middle-income country status in 2010, it is likely that ODA will be less available in the future, although in the short and medium term ODA will continue to play an important role. To ensure sustained economic growth, the government will therefore be required to effectively utilize ODA and better manage its public investments.

3. As one of Viet Nam's development partners, ADB has provided assistance since 1993 with annual lending averaging \$200 million–\$300 million up to 2007. However, with the introduction of less-concessional loans (i.e., ordinary capital resources), particularly since 2007, ADB's Viet Nam portfolio has expanded - with an average annual lending volume of \$1.4 billion. As of the end of September 2011, the ongoing ADB Viet Nam portfolio comprised 55 loans totaling \$6.42 billion, 9 grants totaling \$93 million, and 42 TA projects totaling \$95.2 million for a total of \$6.61 billion in overall assistance.

4. The rapid expansion of the portfolio provided opportunities as well as challenges in terms of portfolio performance. Overall, portfolio performance – as reflected in indicators such as disbursements, project start-up compliance, average loan extension, and account turnover ratio – has deteriorated since 2004 and improved in 2009, but slid back again in 2010. Currently most projects may take up to 8 months from loan approval to loan effectiveness and another year for approval of the first contract, therefore totaling 2-3 years to establish procedures, recruit consultants, prepare detailed designs, and bid out procurement contracts. The disbursement ratio for ADB-funded projects in Viet Nam was only 12.3% compared with the ADB-wide figure of 20.2%.³ Comparing the portfolio performance of Viet Nam with other countries in the region gives a mixed result. The average time from loan approval to effectiveness of Viet Nam's portfolio in 2010 was 8.3 months compared with 6.0 months for the Philippines and 9.4 months for Indonesia. Viet Nam's disbursement ratio in 2010 (12.3%) was about at par with that of the Philippines (13.2%) but substantially lower than that of Indonesia (36.8%). Viet Nam's portfolio had 7.3% of projects at risk compared with 0% in the Philippines and 10% in Indonesia. The

¹ Members are ADB, the Agence Française de Développement, the Japan International Cooperation Agency, the Korea Eximbank, the KfW, and the World Bank.

² The TA first appeared in the business opportunities section of ADB's website on 30 November 2011.

³ ADB. 2010. Annual Portfolio Performance Report (draft).

portfolio expansion has been a major challenge, which must be urgently addressed through performance improvements.

5. ADB's Viet Nam 2010 and 2011 portfolio reviews⁴ identified key constraints, which among others, include:

- (i) **Lack of harmonized procedures on project management**—Government and donor procedures for project preparation and implementation and key outputs are not fully aligned, which cause additional workload for EAs and PMUs and implementation delays.
- (ii) **Implementation start-up delays**—projects face procedural and capacity constraints during its initial phases, resulting in high costs of development and delayed benefits.
- (iii) **Limited effectiveness of portfolio performance monitoring mechanisms**—coordination between government and ADB and enhanced government ownership of portfolio performance have improved during the past few years. However more effort will be required to effectively monitor the portfolio performance through increased dialogue with Government.
- (iv) **Capacity constraints**—Government capacity on project management, particularly at the subnational levels is limited. Previous efforts to build capacity will need to be better structured and aligned with the needs of beneficiaries.
- (v) **Institutionalization of results of dialogues on ODA effectiveness**—Government and donors have been engaged in previous and ongoing dialogue on ODA effectiveness. However the results need to be further refined and institutionalized.

6. ADB's country strategy and program, 2007–2010⁵ clearly indicates the importance of a results-based approach. In order to reduce transaction costs and improve development impacts, ADB interventions should improve project preparation and design processes, and implementation performance. The forthcoming country partnership strategy, 2011–2015 will build on the results achieved, and refine the means and procedures to achieve these objectives.

7. An ADB TA to enhance ODA absorptive capacity and efficiency⁶ was implemented from October 2007 to August 2011 to assist the government in addressing some of the portfolio performance issues. Outcomes included capacity built for some executing agency and project management unit (PMU) staff to manage and implement projects, harmonized feasibility study guidelines, revised cost norms, improved payment procedures, and use of aligned monitoring tools through government–Six Banks dialogue. The TA also supported dialogue on advance actions, streamlining the project detailed outline, working group discussions on procurement and environmental and social safeguard compliance, and government–development partner dialogue on aid effectiveness, particularly in forums such as the semiannual Consultative Group meetings and the Aid Effectiveness Forum. In addition, it produced the Handbook on Processing and Implementation for ADB-Funded Projects in Viet Nam (blue book).⁷ Lessons learned include: (i) progress in building capacity has been uneven, particularly at the provincial and lower levels; (ii) targeting of training investments must be improved to ensure a balance among PMUs with disparate levels of capacity and varying degrees of strategic importance; (iii)

⁴ ADB. 2010. *Viet Nam Country Portfolio Review*; and ADB. 2009. *Viet Nam Country Portfolio Review*. Ha Noi

⁵ ADB. 2007. *Country Strategy and Program: Viet Nam, 2007–2010*. Manila.

⁶ ADB. 2008. *Technical Assistance to the Socialist Republic of Viet Nam for Enhancing Official Development Assistance Absorptive Capacity and Efficiency*. Manila.

⁷ ADB. 2009. *Handbook on Processing and Implementation of ADB-Funded Projects in Viet Nam*. Ha Noi.

harmonization with development partners (on procedures for procurement, social and environmental impact assessments, and resettlement) has attained progress, but some differences remain and results/agreements have yet to be institutionalized; and (iv) closer collaboration among the Six Banks and dialogue with the government will need to be continued to enable the revision and streamlining of the government's existing regulations and procedures on ODA.

8. The government currently has plans to amend various decrees and regulations, which will have significant impact on ODA project management, particularly Decree 131/2006 on managing ODA, the 2005 Procurement Law, and the Public Investment Law. It is therefore important that (i) outputs and outcomes of the previous TA will need to be better disseminated as knowledge products; (ii) dialogue will continue to provide critical inputs to the revision of key legal documents to facilitate the institutionalization of the outputs of the previous TA; (iii) the capacity of EAs and PMUs are improved to effectively implement the new harmonized procedures; and (iv) the government acquires greater ownership of activities to better monitor portfolio performance and ensure aid effectiveness.

9. The proposed TA will, therefore, not only build on the results achieved in the previous TA to enhance ODA absorptive capacity and efficiency, but will further institutionalize and mainstream the outcomes of the policy dialogues and develop knowledge products/tools for better implementation. The timing of the proposed TA is critical as revisions to Decree 131/2006 and the 2005 Procurement Law and Public Investment Law are expected to be finalized within 2012. The next opportunity to revise these important pieces of legislation may not occur until after 2017.

III. THE TECHNICAL ASSISTANCE

A. Impact and Outcome

10. The impact of the TA will be effective utilization of ODA resources by the Government of Viet Nam. The outcome will be improved portfolio performance of ADB-funded projects in Viet Nam.

B. Methodology and Key Activities

11. The outputs of the TA and the main activities to achieve each output are elaborated below.

12. **Harmonized procedures on official development assistance project management of the government and development partners.** Harmonized procedures, to include but not be limited to streamlined project detailed outline/concept note, advance actions prior to loan effectiveness, ODA resource allocation and onlending mechanisms, issues relating to procurement and safeguard compliance, and collaboration through thematic studies on project implementation will facilitate acceleration of project preparation and avoid delays during implementation. The legal framework governing ODA projects (to be addressed by the new Decree on ODA Management and Utilization, to replace Decree 131, along with related circulars) will be strengthened by incorporating these harmonized procedures. TA consultants will assist in developing manuals on harmonized procedures, provide inputs to the revision of Decree 131, and strengthen the legal framework governing ODA projects.

13. **Improved project start-up performance and institutionalized advance actions.** Inclusion of advance actions with specified funding sources, time frame, and responsibilities in

the project detailed outline and subsequent implementation of advance actions will be crucial to improved project start-up. These actions include the establishment of functional PMUs with a sufficient number of qualified staff; preparation and approval of the project implementation plan, procurement plan, and resettlement plan; preparation and recruitment of the project management consultants; preparation and approval of detailed designs for works to be implemented in the first year of project implementation; and prequalification of bidders. TA consultants will assist in developing guidelines on procedures for implementing advance actions, streamlining project detailed outlines and start-up procedures, and updating the blue book. In parallel, the TA will benefit from other ADB initiatives such as the project preparation and start-up support facility loan, which will be processed for ADB approval in the second quarter of 2012.

14. **Strengthened institutional mechanism for joint portfolio management.** The capacity of the government (particularly the Ministry of Planning and Investment [MPI]) to monitor portfolio performance will be enhanced through improved institutional capacity to conduct portfolio reviews, and improved coordination between ADB and the MPI, with participation from concerned line agencies, during periodical portfolio performance monitoring exercises such as quarterly, midterm, and annual portfolio performance review meetings. The TA will conduct joint portfolio performance reviews with the Six Banks and collaborate in areas to strengthen institutional mechanisms to improve portfolio performance. TA consultants will help compile and analyze portfolio data and provide assistance to the MPI in preparing required reports on portfolio performance, issues, and recommendations; and ensure that portfolio performance will aim at helping achieve the relevant government development targets as well those as in ADB's corporate results framework.

15. **Improved capacity for project management and supervision.** Building the capacity of executing agencies and PMUs of ADB-funded projects at the central and local levels—through training programs, dissemination of information, and participatory activities—will enable government staff to manage the project cycle in a better manner. Capacity building activities will include, but not be limited to, development of needed project management skills, setup for project monitoring and evaluation, and reporting skills. As existing programs are fragmented, these will need to be better linked and structured, with emphasis on government ownership. Key government agencies (the MPI, Ministry of Finance, and State Bank of Vietnam) will play an important role in implementing the training programs. TA consultants will conduct an assessment of existing training programs and the training needs of executing agencies and PMUs, recommend structured training, and develop tool kits for capacity building and project management.

16. **Institutionalization of outcomes of dialogues on official development assistance effectiveness in Viet Nam.** Dialogue between the government and development partners on ODA effectiveness is ongoing and will continue through various forums such as the Consultative Group meetings, Aid Effectiveness Forum, and the Inter-ministerial Task Force meetings with the Six Banks, with inputs from various thematic studies. The government highly appreciates these efforts and utilizes the outputs to provide inputs to its laws, decrees, circulars, and decisions. The discussions will require consultative and dissemination workshops as well as other venues for interaction and exchange of ideas. TA consultants will assist the government to facilitate these activities and the participation of civil society organization in the policy dialogue and consultations, and assist government in preparing reports and issues papers on the dialogue process.

C. Cost and Financing

17. The TA is estimated to cost \$800,000. The TA will be financed on a grant basis by ADB's Technical Assistance Special Fund (TASF-IV). The government will provide counterpart support in the form of counterpart staff remuneration and office spaces. The cost estimates and financing plan are provided in Appendix 2.

D. Implementation Arrangements

18. The MPI will be the executing agency. A PMU will be set up under the Foreign Economic Relations Department of the MPI to manage day-to-day activities of the TA. The TA team will work closely with the Inter-ministerial Task Force for ODA Management to ensure the involvement of other government agencies/ministries in the implementation of the TA.

19. The TA will require 43 person-months of consulting services (8 person-months international and 35 person-months national) in the areas of institutional development (5 person-months international and 20 person-months national), portfolio management (3 person-months international and 10 person-months national), economics (4 person-months national), and capacity building (1 person-month national). The consultants will be recruited individually by ADB in accordance with its Guidelines on the Use of Consultants (2010, as amended from time to time). The outline terms of references of the consultants are in Appendix 3. Office equipment for a total maximum amount of \$10,000 will be procured in accordance with ADB's Procurement Guidelines (2010, as amended from time to time). These equipment will be handed over to the Executing Agency upon completion of the TA. Disbursements under the TA will be done in accordance with ADB's *Technical Assistance Disbursement Handbook* (2010, as amended from time to time). The executing agency will administer costs for trainings and workshops. An advance payment facility shall be used to receive deposits by ADB.

20. As some activities under the outputs (i), (ii), and (iii) will be implemented under the framework of the Six Banks initiatives, other banks - including the Agence Française de Développement, the Japan International Cooperation Agency, the Korea Eximbank, the KfW, and the World Bank - will contribute technical inputs in the form of comments to the draft reports/papers prepared under these outputs.

21. The TA will be implemented from 15 December 2011 to 30 November 2014. The TA's expected outcomes will be jointly monitored and evaluated by the MPI and ADB during TA inception, midterm, and final review missions, and TA progress will be made on a quarterly basis and discussed semiannually with MPI and relevant government ministries. Baseline data on portfolio performance such as contract awards, disbursements, start-up compliance, and number of projects at risk will be continuously monitored during the course of the TA.

IV. THE PRESIDENT'S DECISION

22. The President, acting under the authority delegated by the Board, has approved the provision of technical assistance not exceeding the equivalent of \$800,000 on a grant basis to the Government of Viet Nam for Support to Improve Portfolio Performance and Aid Effectiveness, and hereby reports this action to the Board.

DESIGN AND MONITORING FRAMEWORK

Design Summary	Performance Targets and Indicators with Baselines	Data Sources and Reporting Mechanisms	Assumptions and Risks
<p>Impact Effective utilization of ODA resources by Government of Viet Nam</p>	<p>ODA disbursement ratio, ^a currently 20%, on par with international average by 2018</p> <p>Start-up ^b time currently 8 months, on a par with international average by 2018</p> <p>Completion of ODA-funded projects, currently 8 years, on a par with international average by 2018</p>	<p>Aid Effectiveness Forum Reports</p> <p>Government statistics on the MPI website</p>	<p>Assumption Government support for framework to harmonize its procedures with ODA procedures</p> <p>Risk Rapid changes in the development context in Viet Nam affect the expected impacts of ODA projects in Viet Nam</p>
<p>Outcome Improved performance of ADB-funded projects in Viet Nam</p>	<p>Increased cumulative disbursement ratio from 20% to 30% by 2014</p> <p>Reduced time elapsed: (i) loan approval to effectiveness from 8 months (2010) to 6 months (2014); (ii) loan approval to first contract from 16 months (2010) to 11 months (2014)</p> <p>Reduced loan extensions to 10% of ongoing portfolio by 2014</p>	<p>ADB quarterly country portfolio performance review</p> <p>COSO country portfolio review data and SERD Operations Dashboard</p> <p>COSO country portfolio review data and SERD Operations Dashboard</p>	<p>Assumptions More dedicated capacity building support to line agencies in need</p> <p>Proposals on harmonized procedures for project preparation and start-up will be institutionalized in the Vietnamese legal framework for ODA management</p>
<p>Outputs 1. Procedures of the government and development partners for ODA project management harmonized</p>	<p>Refined procedures for project detailed outline ready for incorporation into the government's proposed decree on ODA management and utilization by Q2 2012</p> <p>Advance actions incorporated into the government's proposed decree/circular on ODA management and utilization by Q2 2012</p>	<p>New decree and circular on management and utilization of ODA</p> <p>Six Banks monthly meeting minutes</p>	<p>Assumptions Government allocates sufficient financial and human resources for portfolio management</p> <p>Relevant and active participation of government officials in training programs</p>

Design Summary	Performance Targets and Indicators with Baselines	Data Sources and Reporting Mechanisms	Assumptions and Risks
<p>2. Project start-up compliance achieved</p> <p>3. Institutional mechanism for joint portfolio management and supervision with the Ministry of Planning and Investment strengthened</p> <p>4. Capacity for project management and supervision of executing agencies and PMUs strengthened</p>	<p>Handbook on Processing and Implementation of ADB-Funded Projects in Viet Nam updated and published by Q3 2012</p> <p>Two thematic studies on project implementation improvement by Q1 2012 and Q1 2013</p> <p>Advance actions identified during project design stage are implemented before loan effectiveness for ADB-funded projects approved from 2012 onward</p> <p>Project owners and PMUs able to monitor advance actions under ADB-funded projects approved from 2012 onward</p> <p>Recommendations from portfolio performance monitoring reviews adopted: one annual country portfolio review, four quarterly tripartite portfolio reviews conducted annually, one joint portfolio performance review with the Six Banks held every 2 years, and sector performance review</p> <p>Alignment of portfolio performance with the results framework specified in ADB's Strategy 2020 ^c</p> <p>Demand-driven training programs on project management skills (including project programming, processing, implementation, and monitoring) developed and implemented for 60% of ongoing projects Inclusion of gender-disaggregated indicators for training</p>	<p>Mission memorandum of understanding or aide-mémoire</p> <p>Country portfolio performance and mission reviews</p> <p>Quarterly portfolio performance review minutes</p> <p>Annual country portfolio review</p> <p>Six Banks biannual joint portfolio performance review report</p> <p>ADB annual reports</p> <p>TA progress reports</p> <p>Training evaluation sheets</p>	<p>Risk</p> <p>Delays in the government's adoption of new decree on ODA management and utilization</p>

Design Summary	Performance Targets and Indicators with Baselines	Data Sources and Reporting Mechanisms	Assumptions and Risks											
5. Results of dialogues on ODA effectiveness in Viet Nam institutionalized	<p>Recommendations from ODA effectiveness forums, including annual Consultative Group meetings adopted</p> <p>Knowledge products developed and disseminated by Q1 2014</p>	Consultative Group proceedings												
<p>Activities with Milestones</p> <p>1.1. Monitor pilot implementation of advance actions by January 2012</p> <p>1.2. Assess the pilot implementation of advance actions by March 2012</p> <p>1.3. Revise advance action procedures as necessary based on the assessment of the pilot implementation by June 2012</p> <p>1.4. Finalize harmonized project detailed outline process and template by March 2012</p> <p>1.5. Propose provisions relating to advance actions and project detailed outline, among others, to new decree/circular on ODA management by April 2012</p> <p>1.6. Conduct follow-on thematic study on ODA resources allocation and onlending mechanism by March 2012</p> <p>1.7. Update blue book following the issuance of the new decree on ODA management and utilization by June 2012</p> <p>2.1. Assist project team leaders in identifying advance actions for projects to be approved from 2012 onward and monitoring the implementation of advance actions from January 2012</p> <p>3.1. Conduct systematic quarterly portfolio performance review meetings on problematic projects from January 2012</p> <p>3.2. Conduct annual and midterm country portfolio review in 2012, 2013, and 2014 to review ADB portfolio performance</p> <p>3.3. Follow up on JPPR VII (conducted in November 2011) by the Six Banks and conduct JPPR VIII in June 2013</p> <p>3.4. Consolidate targeted sector outputs results framework by September 2012</p> <p>3.5. Set up monitoring and evaluation, and monitor the achievement of targeted sector outputs using the results framework, by January 2012</p> <p>4.1. Develop project management training programs in March 2012 and implement training programs quarterly up to 2014</p> <p>5.1. Prepare reports for consultative group meetings in December 2011, 2012, and 2013</p>		<p>Inputs</p> <p>ADB \$800,000</p> <table border="0"> <tr> <td>Consulting services</td> <td>377,000</td> </tr> <tr> <td>Equipment</td> <td>10,000</td> </tr> <tr> <td>Training/workshops</td> <td>276,000</td> </tr> <tr> <td>Miscellaneous Administration</td> <td></td> </tr> <tr> <td></td> <td>77,000</td> </tr> <tr> <td>Contingency</td> <td>60,000</td> </tr> </table> <p>The government will provide counterpart support in the form of counterpart staff remuneration and office spaces</p>	Consulting services	377,000	Equipment	10,000	Training/workshops	276,000	Miscellaneous Administration			77,000	Contingency	60,000
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^a Disbursement ratio = the ratio of disbursement in a given year to the net amount at the beginning of the year.

^b Start-up time is measured by the time elapsed between loan approval to effectiveness and loan approval to first contract.

^c ADB. 2008. *Strategy 2020: The Long-Term Strategic Framework of the Asian Development Bank, 2008–2020*. Manila.

^d ADB. 2009. *Handbook on Processing and Implementation of ADB-Funded Projects in Viet Nam*. Ha Noi.

ADB = Asian Development Bank; COSO = Central Operations Services Office; JPPR = joint portfolio performance review; MPI = Ministry of Planning and Investment; ODA = official development assistance; PMU = project management unit; SERD = Southeast Asia Regional Department.

Source: Asian Development Bank.

COST ESTIMATES AND FINANCING PLAN
(\$'000)

Item	Total Cost
Asian Development Bank^a	
1. Consultants	
a. Remuneration and per diem	
i. International consultants	188.00
ii. National consultants	154.00
b. International and local travel	35.00
2. Equipment and office supplies ^b	10.00
3. Training, seminars, and conferences	
a. Project management training	160.00
b. Dissemination/consultation workshops	96.00
c. Publications/reports/training materials	20.00
4. Miscellaneous administration and support costs	77.00
5. Contingencies	60.00
Total	800.00

Note: The government will provide counterpart support in the form of counterpart staff remuneration and office spaces.

^a Financed by the Asian Development Bank's Technical Assistance Special Fund (TASF-IV)

^b Equipment will comprise one desktop, one laptop, one laser printer, one photocopier, and one LCD projector and screen. It will be procured under the Asian Development Bank's Procurement Guidelines (2010, as amended from time to time) and handed over to the executing agency upon completion of the technical assistance.

Source: Asian Development Bank estimates.

OUTLINE TERMS OF REFERENCE FOR CONSULTANTS

E. International Consultants

1. Institutional Development Specialist (5 person-months)

1. This assignment includes, but is not limited to, the following tasks:

- (i) Review the current framework for implementation of official development assistance (ODA)-funded projects in Viet Nam and the progress status of the implementation of the Joint Action Plan 2 under the Joint Portfolio Performance Review VI (JPPR VI). Compare the results with baseline information provided in the survey results on start-up performance conducted under the previous technical assistance (TA) on Enhancing Official Development Assistance Absorptive Capacity and Efficiency.¹ Identify the gaps and areas in project implementation where improvement is needed and what procedures can be harmonized, particularly in the areas of advance actions, project detailed outline, procurement, and social impact assessment.
- (ii) In collaboration with the portfolio/ODA management specialist, elaborate on other areas for harmonization, which will be identified during the JPPR VII, and provide suggestions on further policy dialogue with the government.
- (iii) Prepare, in close collaboration with the project team leader, inputs to the proposed draft decree/circulars on ODA management and utilization to institutionalize advance actions and harmonize the project detailed outline into the government's administrative mechanism.
- (iv) In close collaboration with the Ministry of Planning and Investment (MPI), conduct a training and capacity building needs assessment and develop and coordinate training programs; prepare the necessary manuals and tool kits on capacity building and project management, which will be conducted under the TA.
- (v) Participate in selected project management programs as a resource person where relevant.
- (vi) Prepare a final report containing an assessment of key issues, progress made on the above tasks, and recommendations for improvement.

2. The institutional development specialist will have a postgraduate degree in public sector management or public policy or equivalent and at least 10 years of relevant professional experience. Professional experience in Viet Nam is an advantage.

2. Portfolio/Official Development Assistance Management Specialist (3 person-months)

3. This assignment includes, but is not limited to, the following tasks:

- (i) Review the current ODA funding mechanisms (concessional versus less concessional loans, TA, and grant funding) for the period of 2006–2010 in Viet Nam; and identify the issues faced, along with bottlenecks in implementation.

¹ ADB. 2008. *Technical Assistance to the Socialist Republic of Viet Nam for Enhancing Official Development Assistance Absorptive Capacity and Efficiency*. Manila.

- (ii) Identify issues that are systemic (apply across most projects in the portfolio) and those that are project-specific and provide recommendations on resolving these issues.
- (iii) Review previous country portfolio review mission reports and provide recommendations on how to improve the reporting format, which is aligned with the results-based framework of the Asian Development Bank (ADB).
- (iv) Identify the gaps and areas in project implementation where improvement is needed and what procedures can be harmonized, particularly in the areas of advance actions, project detailed outline, procurement, and social impact assessment.
- (v) Provide guidance and support to project management units (PMUs) for ADB projects to be approved from 2012 onward in the identification and implementation of advance actions and harmonized project detailed outline.
- (vi) Design and supervise two thematic studies on ODA management and report the findings. These findings will be further developed into a knowledge product.
- (vii) In collaboration with the institutional development specialist, elaborate on other areas for harmonization, which will be identified during the JPPR VII, and provide suggestions on further policy dialogue with the government.
- (viii) Provide suggestions to update the Handbook on Processing and Implementation of ADB-Funded Projects in Viet Nam (blue book)² Procedures for ADB processing and implementation, reflecting ADB's streamlined business process and new decree/circulars on ODA management and utilization.
- (ix) Participate in selected project management programs as a resource person.
- (x) Prepare a final report containing an assessment of key issues, progress made on the above tasks, and recommendations for improvement.

4. The portfolio/ODA management specialist will have a postgraduate degree in public sector management or project management or equivalent and at least 10 years of experience in managing ODA projects, with at least 2 years of experience in Viet Nam.

F. National Consultants

1. Institutional Development Specialist/Team Leader (20 person-months)

5. This assignment includes, but is not limited to, the following tasks:

- (i) Provide overall coordination of TA activities and supervise consultant work (both international and national) under the TA.
- (ii) Monitor, in collaboration with the international institutional development specialist, the status of the Joint Action Plan 2 under the JPPR VI, in particular the implementation of advance actions, and provide guidance to PMUs as necessary.
- (iii) Prepare and finalize the procedures on implementing advance actions and project detailed outline processing, including the (a) identification of specific advance actions with funding resources, time frame, and responsibilities in the project detailed outline; (b) establishment of functional PMUs with a sufficient number of qualified staff; (c) approval of the project implementation plan, procurement plan, and resettlement plan; (d) preparation of recruitment of the project management consultant; (e) preparation and approval of detailed designs

² ADB. 2009. *Handbook on Processing and Implementation of ADB-Funded Projects in Viet Nam*. Ha Noi.

- (f) prequalification of bidders.
- (iv) Provide inputs to and comments in relation to advance actions and the project detailed outline, among others, to the draft new decree/circulars on ODA management and utilization to institutionalize advance actions and a harmonized project detailed outline into the government's administrative mechanism.
- (v) Provide guidance and support to PMUs of ADB projects to be approved from 2012 onward in the identification and implementation of advance actions and a harmonized project detailed outline.
- (vi) In close collaboration with the MPI, conduct training and capacity building needs assessment, and develops and coordinates training programs; prepare the necessary manuals and tool kits on capacity building and project management, which will be conducted under the TA.
- (vii) Elaborate on other areas for harmonization, which will be identified during the JPPR VII.
- (viii) Provide inputs on updating the blue book reflecting ADB's streamlined business process and new decree on ODA management and utilization.
- (ix) Prepare quarterly TA progress reports.

6. The national institutional development specialist/team leader will have a postgraduate degree in public sector management or public policy or equivalent and at least 7 years of relevant professional experience.

2. Portfolio Management Specialist (10 person-months)

7. This assignment includes, but is not limited to, the following tasks:

- (i) Provide inputs on updating the blue book reflecting ADB's streamlined business process and new decree/circulars on ODA management and utilization.
- (ii) Elaborate on selected areas of project management for harmonization, which will be identified during the JPPR VII.
- (iii) Collect and analyze portfolio data for the ADB–MPI country portfolio reviews and the Six Banks JPPR.
- (iv) Develop and consolidate targeted sector outputs; monitor the achievement of these outputs in 2013 as part of the results-based ADB–MPI portfolio performance review.
- (v) Participate in selected project management programs as a resource person.
- (vi) Undertake other activities as assigned by the TA project officer to ensure that the TA outputs will be achieved.
- (vii) Prepare, in collaboration with the international portfolio management specialist, a final report containing an assessment of key issues, progress made on the above tasks, and recommendations for improvement.

8. The national portfolio management specialist will have a postgraduate degree in public sector management or project management or equivalent and at least 7 years of experience in managing ODA projects.

3. Economist (national, 4 person-months)

9. This assignment includes, but is not limited to, the following tasks:
- (i) Review the country's general economic development situation, and specific progress and achievements of the Socio-Economic Development Plan, 2011–2015.
 - (ii) Collect information on ongoing and planned ODA projects and programs by various development partners.
 - (iii) Identify potential financing gaps in public investments for Viet Nam for 2010–2015.
 - (iv) Assess the contribution of ODA programs and projects to the country's economic development using an output-based approach.
 - (v) Prepare recommendations to utilize ODA resources more efficiently and effectively to improve aid effectiveness and to accelerate economic development.
 - (vi) Consolidate (i)–(v) in reports and other inputs for important meetings, e.g., the consultative group meetings and meetings of the Aid Effectiveness Forum.
10. The economist will have a postgraduate degree in economics or equivalent and at least 7 years of relevant professional experience.

4. Capacity Building Specialist (1 person-month)

11. This assignment includes, but is not limited to, the following tasks:
- (i) In close collaboration with the MPI, project team leader, and other specialists, conducts training and capacity building needs assessment.
 - (ii) Develop and coordinate training programs; prepare the necessary manuals and tool kits on capacity building and project management that will be conducted under the TA.
 - (iii) Develop training materials and curricula for various modules.
 - (iv) Conduct training for trainers.
 - (v) Conduct training sessions and provide suggestions/ feedback.
 - (vi) Prepare a final report containing an assessment of key issues, progress made on the above tasks, and recommendations for improvement.
12. The capacity building specialist will have a postgraduate degree in education or management or equivalent and at least 7 years of relevant professional experience.