

## **JAPAN PHRD TECHNICAL ASSISTANCE GRANTS PROGRAM** **FY08 ANNUAL POLICY GUIDELINES AND PROGRAM ALLOCATION**

1. ***Objective.*** To provide technical assistance grants to recipient countries, or their agencies, to help prepare or implement Bank-financed operations (hereinafter referred to as “Operations”).<sup>1</sup> Grants approved under the program are subject to the criteria set forth in these Guidelines.

2. ***Priority Areas and Activities.*** Technical Assistance grants would maintain a *poverty focus*. The following should be aimed at: at least 35% are for East, South and Central Asia. Grant funding proposals should be submitted under the following programs:

**(i) Project Preparation:** Only IDA and IDA/IBRD blend countries<sup>2</sup> are eligible.

In the case of all project preparation proposals, the follow-on Operations must be listed in the IBRD/IDA Lending Program Summary in the CAS, or the CAS Update, or equivalent document, which is endorsed by the Bank’s Board of Directors<sup>3</sup>.

**(ii) Climate Change Initiatives:** To: (a) support the inclusion of climate-change concerns in the country’s development planning process and the acquisition of knowledge in the assessment of the impact of local greenhouse gases (GHG) emissions in the recipient country; and (b) support initiatives -- including pilot activities -- for the reduction of GHG emissions as developing countries increase energy production to improve standards of living and promote industrial growth as they move towards eradication of poverty. Proposals must be linked to Bank-financed operations or activities supported by the Prototype Carbon Fund, the BioCarbon Fund, and the Global Environment Facility, or other environmental funds managed by the World Bank. (Separate operating guidelines have been agreed for this program).

**(iii) Project Cofinancing:** To co-finance institutional capacity building components of operations supported by the World Bank. The technical assistance should strengthen institutional capacity to facilitate the implementation of the project’s key policy reforms and good governance initiatives. The grants would meet the funding needs of **IDA and IDA/IBRD blend countries** where borrowing for such assistance may be unaffordable given budgetary and borrowing limitations. (Separate operating guidelines have been agreed for this program.)

3. ***Funding Proposal and Amount.*** Grants are approved by GoJ on the basis of a one-page Funding Proposal. The Proposal will include the **Project Development Objectives**, the **Grant Objectives**, and **Expenditure Categories**. In addition to the one-page Funding Proposal, supplementary background information is also required. This will include any risks (for example political, environmental, problems with the implementing agency, civil war or post-conflict

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<sup>1</sup> Bank financed operations are those funded by IBRD loans, IDA credits, and IDA grants.

<sup>2</sup> As defined in the Bank’s FY08 IDA List of Borrowing Countries (see <http://web.worldbank.org/WBSITE/EXTERNAL/EXTABOUTUS/IDA/0,,contentMDK:20054572~menuPK:3414210~pagePK:51236175~piPK:437394~theSitePK:73154,00.html>).

<sup>3</sup> Conditional approval may be granted if the following requirements are satisfied: (i) the follow-on Operation, which will be prepared with the PHRD Project Preparation Grant, will be listed in the next CAS or CAS update (or equivalent document); and (ii) the next CAS or CAS update (or equivalent document) discussion date at the Board can be found in the Board meeting schedule available with the World Bank Executive Directors. Final approval will be granted by CFP at the time the CAS or CAS update (or equivalent document), in which the said project is listed, is discussed by the Board of Directors of the World Bank.

situation) that may affect implementation of the grant. The amount of the grant may normally not exceed US\$1 million. Only a single grant per operation may be requested. Supplemental requests are not eligible under PHRD.

4. **Call for Proposals.** CFP will invite proposals twice in FY08 from the Bank's Regional Vice Presidential Units informing them of the total amount available and notional allocations for each grant type.

5. **Eligible Expenditures.** In the cases of **Project Preparation** grant proposals, eligible expenditures include: (i) **consultant services** and; (ii) **non-consultant costs**, up to 10% of the total grant amount, for local training, and minimal equipment and operating costs essential to carry out the technical assistance. Workshops, local consultations, and training may be included if the requests clearly demonstrate these activities will enhance the quality of the technical assistance. Civil works are not eligible. All expenditures would be eligible for 100% financing under PHRD. See separate operating guidelines for Project Cofinancing and Climate Change Initiatives grants.

6. **Ineligible Expenditures.** Expenditures on the following activities are ineligible: study tours, foreign training, implementation of pilot programs<sup>4</sup>, purchase of vehicles, salaries for civil servants in recipient countries, Extended Term Consultants, and Bank staff (open-ended, term, and seconded staff) salaries or travel expenses. See separate operating guidelines for Project Cofinancing and Climate Change Initiatives grants.

7. **Schedule.** PHRD grant proposals would be submitted to GoJ twice in FY08. GoJ would confirm its decisions on proposals within four weeks from submission where GoJ is satisfied with the contents of the application. In case GoJ seeks clarifications, the final decision on the funding proposal may take longer.

8. **Grant Execution Arrangements.** Climate Change Initiatives and Cofinancing grants must be recipient-executed. Project Preparation Grants would normally be executed by the recipient's project implementing agency. However, the Bank may consider waiving the requirement for recipient execution in accordance with Bank policy (see OP 14.40) in the following cases: emergency operations, and post conflict countries. Grant closing date for Project Preparation grants would normally be the date of approval of the Bank loan or IDA credit for the associated operation by the Bank's Board. Extension beyond the Board date can be provided if justified. Extension of a Project Preparation grant beyond the Board date may be provided up to the expected effectiveness date of the ensuing Bank Loan or IDA Credit, or six months from the Board Approval Date, whichever comes first. In any case, the total term of the Project Preparation and Climate Change Initiative grants should not exceed four years after signature of the grant agreement. Grant closing dates for Cofinancing grants would be the same as the closing date of the associated Bank Loan or IDA Credit. Any exceptions would need to be fully justified and would require CFP's clearance. The Bank, through the designated Task Team Leader of the project, would carry out its fiduciary responsibilities for grant supervision, with due attention to economy and efficiency, and generally in accordance with the standards applicable to Bank Loans or IDA Credits.

9. **Progress Reporting.** For the purposes of monitoring the development outcomes, the grant agreement – based on the one-page Funding Proposal – will be the binding document. The Task Team Leader will be responsible for preparing annual Grant Status Reports, rating the status of grant

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<sup>4</sup> Pilots may be funded under Climate Change Initiatives Grants.

implementation, and documenting deliverables and outputs. For grants over US\$1 million, an *Implementation Completion Memorandum* (ICM) will be prepared at completion documenting actual cumulative inputs, outputs and outcomes through the grant implementation period, and the results will be shared with the donor. For grants under US\$1 million, the final Grant Status Report will include additional information regarding grant activity outcomes.

10. **Reallocations of Funds and Changes in Scope.** Reallocations of grant expenditure categories and activities, including dropping or adding new eligible categories or activities (see paragraphs 5 and 6 above), may be approved by the Sector or Country Director, as appropriate. Advice may be sought from Legal and CFP. For Project Preparation grants, under no circumstances will the total amount for non-consultant expenditure categories exceed 10 percent of the grant amount. Legal Department should be consulted if any amendments to the Grant Agreement are required. All amendments to the Grant Agreement must be signed by the Country Director. For changes in the Development Objectives of the Bank-funded Operation, a request must be submitted to CFP which will determine if approval is required from GoJ. If the request is submitted to GoJ, it would provide its decision within four weeks from the receipt of the request from CFP.

11. **Grant Cancellation Policy.** The balance of grants is subject to cancellation under the following circumstances: (i) the associated operation has been dropped (signed contracts may be paid with CFP's approval); (ii) the associated operation is approved by the Board; (iii) the grant agreement has not been signed 6 months after approval of the grant; (iv) no implementation progress including zero disbursements for six months after signature of the grant agreement; or (v) there is lack of progress as determined by CFP. CFP may clear exceptions on the basis of a satisfactory explanation.

12. **Consultation with Local Japanese Officials.** In order to ensure harmonization and coordination, Bank task teams are required to consult with the Embassy of Japan accredited to the recipient country about the PHRD grant application before submission of the proposal to Concessional Finance and Global Partnerships (CFP) for review. Such consultation and information sharing by task teams will help expedite the decision-making process. In addition, Bank task teams are encouraged to share the information about progress and outcomes of PHRD projects with the Embassy of Japan and other Japanese aid agencies in the field.

13. **Japanese Visibility.** Bank task teams are asked to help promote the visibility and local awareness of PHRD in recipient countries through the following types of activities:

- (a) Publications, training programs, seminars and workshops financed by PHRD grants should clearly indicate that the activities in question have received funding from the Government of Japan;
- (b) The logo (usually the Japanese national flag) should be used in publications financed by the PHRD program, and in banners and any other materials used in seminars and training programs financed by PHRD grants;
- (c) All press releases issued by the Bank with respect to PHRD grants should refer to the financial contribution from the Government of Japan;
- (d) Recipients should be encouraged to ensure that PHRD-financed activities are well covered by local print and electronic media, and that all related publicity materials, official notices, reports and publications explicitly acknowledge Japan as the source of funding received;
- (e) Grant signing ceremonies in the field should be encouraged, with the Recipients being encouraged to include Japanese embassy officials and to invite local and international press to these ceremonies. Task teams should aim to inform the Embassy of Japan as well as CFP

– which will alert the Japanese authorities in Tokyo – at least 10 days in advance of the signing ceremony.

In addition, CFP may promote visibility of PHRD by: (i) informing Country Directors of the importance of signing ceremonies to Japanese officials and the public to ensure recognition and support for PHRD funding; and (ii) continuing widespread distribution of the PHRD Annual Report, inclusion of PHRD information in relevant Bank documents, and occasional information sessions for Japanese organizations. A Guidance Note providing samples of other ways to improve visibility has been prepared and attached to the FY08 Annual Policy Document.

14. **Maintenance of Documentation.** Operational departments will keep copies of key documentation related to PHRD grants, including Terms of Reference and contracts for consultants subject to the Bank’s prior review, reports and other outputs prepared by consultants, in accordance with the Bank’s document retention policy. Task teams should also send the original grant agreement to the Legal department.

### **FY08 PHRD TECHNICAL ASSISTANCE PROGRAM ALLOCATION**

The total FY08 allocation, to be approved through the rounds during the fiscal year, is US\$65 million. The allocations among the three grant types are provided in Table 1 below. The allocation for the first round of Project Preparation grants is US\$20 million, and for the second round is US\$10 million. Depending on the demand for grants, the fund may be reallocated among the grant types in consultation with GoJ. The decision on the reallocation will be taken by CFP at the end of the rounds in consultation with GoJ.

Table 1

<b>Allocations by Area</b>	<b>Amount (US\$ million)</b>
Project Preparation	30
Climate Change Initiatives	10
Cofinancing	25
<b>Total Amount</b>	<b>65</b>

Table 2

<b>TENTATIVE SCHEDULE FOR FY08 PHRD TECHNICAL ASSISTANCE PROGRAM</b>	
<b><u>Round Announcement:</u></b>	<b><u>Date of Submission to Japan:</u></b>
January 2008	February 2008
March 2008	April 2008



## JAPAN POLICY AND HUMAN RESOURCES DEVELOPMENT (PHRD) TECHNICAL ASSISTANCE (TA) PROGRAM GUIDANCE NOTE ON VISIBILITY OF JAPAN

### **Introduction**

The Government of Japan (GoJ) has contributed to the Policy and Human Resources Development (PHRD) Technical Assistance (TA) Program in support of work by, and on behalf of, World Bank borrowing countries since 1990. The purpose of this note is to provide guidance on measures to ensure that the contribution of Japan in supporting PHRD is widely recognized.

### **Statement on Visibility**

The Annual Policy Document provides the following clause on Consultation with Local Japanese Officials and Japanese Visibility:

***Consultation with Local Japanese Officials.*** In order to ensure harmonization and coordination, Bank task teams are required to consult with the Embassy of Japan accredited to the recipient country about the PHRD grant application before submission of the proposal to Concessional Finance and Global Partnerships (CFP) for review. Such consultation and information sharing by task teams will help expedite the decision-making process. In addition, Bank task teams are encouraged to share the information about progress and outcomes of PHRD projects with the Embassy of Japan and other Japanese aid agencies in the field.

***Japanese Visibility.*** Bank task teams are asked to help promote the visibility and local awareness of PHRD in recipient countries through the following types of activities:

- (f) Publications, training programs, seminars and workshops financed by PHRD grants should clearly indicate that the activities in question have received funding from the Government of Japan;
- (g) The logo (usually the Japanese national flag) should be used in publications financed by the PHRD program, and in banners and any other materials used in seminars and training programs financed by PHRD grants;
- (h) All press releases issued by the Bank with respect to PHRD grants should refer to the financial contribution from the Government of Japan;
- (i) Recipients should be encouraged to ensure that PHRD-financed activities are well covered by local print and electronic media, and that all related publicity materials, official notices, reports and publications explicitly acknowledge Japan as the source of funding received;
- (j) Grant signing ceremonies in the field should be encouraged, with the Recipients being encouraged to include Japanese embassy officials and to invite local and international press to these ceremonies.

In addition, CFP may promote visibility of PHRD by: (i) informing Country Directors of the importance of signing ceremonies to Japanese officials and the public to ensure recognition and support for PHRD funding; and (ii) continuing widespread distribution of the PHRD Annual Report, inclusion of PHRD information in relevant Bank documents, and occasional information sessions for Japanese organizations. A Guidance Note providing samples of other ways to improve visibility is attached.

### **The PHRD TA Program's Logo**

The logo (usually the Japanese national flag) will be used on the PHRD website. All grant approval notifications to the Regions will include this guidance note and a "Word" and a "PDF" version of the logo for use by the Bank and the grant recipients. The Bank will make every effort to ensure that: (i) publications, training programs, seminars, workshops, financed by the PHRD grants clearly indicate that the activities in question have received funding from the Government of Japan; (ii) all press releases issued by the Bank with respect to the PHRD grants refer to the financial contribution of Government of Japan; and (iii) the logo is used in publications financed by the PHRD program, banners and any other materials used in seminars and training programs financed by the PHRD grants.

### **Local Publicity Opportunities**

In addition to use of the logo, Bank staff are urged to take all appropriate measures to encourage Recipients to ensure that PHRD TA-financed activities are well covered by local print and electronic media, and that all related publicity materials, official notices, reports and publications explicitly acknowledge Japan as the source of funding received. Below is a standard text suggested for use by those who prepare publicity materials: *"The grant which financed this (name of activity) was received under the Policy and Human Resources Development Technical Assistance Program which is financed by the Government of Japan."*

Many Bank Country Offices periodically publish newsletters. New grant approvals and signing should be publicized in these newsletters.

Most country offices have Communications staff. Task Teams are encouraged to consult with them on ways to increase the visibility of Japan regarding PHRD grants. Opportunities to publish articles on high visibility projects prepared with the PHRD TA grants should be explored and utilized.

Task teams are advised to brief the Country Managers/Country Directors about the implementation status of PHRD grants. Such information will help the Country Offices highlight Japan's contribution, where relevant, in their meetings and presentations in seminars and workshops.

### **Ceremonial Events**

Country Directors will, at the same time as the task teams, receive notification of grant approvals and will be informed of the importance of signing ceremonies to Japanese officials and the public. At grant signing ceremonies and other publicity events, the Bank's country-based staff are expected to foster the attendance and participation of

country-based officials of the Embassy of Japan in a manner that provides due recognition of their donor status. Grant recipients should take the lead in organizing such ceremonies, and whenever possible, Recipients should issue the formal invitation to attend. Such ceremonial events should also be alerted to the media and publicity outlets referred to above.

**Visibility from Headquarters**

Country-based Bank staff are requested to forward copies of all visibility material, such as press releases, newspaper and magazine articles, and photographs (including descriptive captions) to the following address:

PHRD TA Unit  
Mail Stop H 3-305  
Trust Fund Operations  
Concessional Finance and Global Partnerships  
The World Bank  
Washington, DC 20433  
USA