



Program Review Committee Protocol

version 2 (July 2010)



CDIA

Cities Development Initiative for Asia

1 MANDATE AND ROLE

This Protocol on the CDIA Program Review Committee (PRC) has been prepared in pursuance of section 3.1.1(a) of the CDIA Operational Guidelines (version 5-3, dated 14 April 2008).

The mandate of the CDIA Program Review Committee (PRC) is to provide policy guidance to the CDIA Core Management Team (CMT) and other CDIA partner agencies on to how CDIA should fulfill its long-term aim of contributing to the promotion of sustainable and pro-poor urban development, leading to improved environmental and living conditions for all in medium sized Asian cities.

To implement its mandate, the PRC will oversee, review and approve strategies, primarily consisting of the Operational Guidelines, the Strategic Milestones and the business plan, for the implementation of CDIA's core activities.

2 COMPOSITION

The PRC comprises representatives of the major contributors/shareholders to CDIA who are voting members of the PRC and other stakeholders' representatives. A major contributor is defined as providing a minimum annual average contribution of US \$ 1 million (equivalent) in cash or kind towards the CDIA program. Major contributors are not limited to government representatives and multi-lateral agencies, but may also include corporate and city entities. The PRC will invite the CDIA Stakeholders Forum to nominate a maximum of two non-voting representatives to the PRC on a rotating basis. Gender balance in its composition is to be strived for.

The PRC is chaired by its voting members on a two-year rotation basis in the order of joining: ADB, BMZ, SIDA, with other organizations to be added as they join CDIA.

New PRC members subscribing to the overall long-term aim of CDIA and meeting the above criteria will be admitted based on consensus approval of the voting PRC members in a PRC meeting, or by correspondence on no-objection basis. Detailed criteria and procedure for admission of new voting PRC members and withdrew of voting PRC members are in Appendix I.

The CMT will serve the PRC as its secretariat. The ADB CDIA Program Manager and the GTZ CDIA Program Coordinator will be ex-officio non-voting PRC members.

3 PRC MAIN TASKS

As noted in section 1 above, the PRC constitutes the overall governing body of the CDIA and within that overall mandate i.a. carries out the following principal specific tasks:

- review and approval of the CDIA operational guidelines from time to time as required;
- review and approval of the CDIA medium-term strategic development plan/ business plan;
- review and approval of the CDIA semi-annual reports and work plans;
- review and approval of any proposals for legal incorporation of CDIA;
- appointment of the CDIA Advisory Panel and periodic review of its recommendations;
- approval of admittance of new members of the PRC (if necessary by correspondence on no-objection basis);
- approval of the award of multi-source CDIA grants of more than \$ 500,000 (if necessary by correspondence on no-objection basis);

- approval of locations, activities, and participants of PRC, Advisory Panel and Stakeholders Forum meetings; and
- Approval of any other matters deemed to require PRC approval by the CMT and/or at least two voting PRC members.

Progress/audit reports of the member organizations relevant to CDIA operations will be shared with the PRC for information.

4 PROCEDURES

In general it is expected that the PRC will provide policy guidance on a consensus basis, but in the event of a disagreement on a specific issue, the PRC's decision will be given as the result of a majority vote of the voting PRC members, with the Chair providing a casting vote in the event of a tied vote.

PRC meetings will be held at least once per year, but preferably on a semi-annual basis. Minutes of PRC meetings will be circulated to all PRC members and comments forwarded to the Chair for consideration and final approval of the minutes.

Manila, 12 July, 2010

APPENDIX 1: CRITERIA AND PROCEDURE FOR ADMISSION OF NEW VOTING PRC MEMBERS AND WITHDRAWAL OF VOTING PRC MEMBERS

1 SPECIFIC ELIGIBILITY CRITERIA FOR NEW VOTING PRC MEMBERS

Acceptance of CDIA Operational Guidelines and prior PRC decisions: new voting PRC members will subscribe to the approved CDIA Operational Guidelines and to prior minuted PRC policy decisions.

Contribution preference: PRC member contributions should maximally contribute to CDIA's objectives and activities; therefore completely flexible, un-tied and fungible cash contributions at the disposal of the CDIA Core Management Team (CMT), and subject to procurement guidelines maximally reflecting the objectives of the OECD/DAC and the Paris Declaration, is the preferred contribution modality (see Annex for definition of terms).

Specification of eligible contributions:

- a) **Minimum contribution period:** in the interest of enhancing continuity and commitment to the CDIA partnership and its medium-term predictability, a minimum initial contribution period of two years (renewable) shall be adhered to, i.e. a minimum total contribution of \$ 2 million.
- b) **Proportion of in-kind and cash contribution:** at least 50% of the qualifying contribution shall be in cash (i.e. available for operational activities), rather than in-kind (for assigned staff, office space and similar support elements).
- c) **Maximally flexible, untied and fungible cash contributions (core contributions):** cash contributions shall, in principle, be available under the control and management of the CMT for utilization for all operational CDIA activities in all countries eligible for CDIA support (ADB's Developing Member Countries – DMCs); any restrictions to the use of funds must be explicitly described in the draft agreement with a prospective PRC voting member to be tabled for consideration of the PRC.
- d) **Contributions held outside the direct control of CMT (non-core contributions):** If agreed on membership approval, voting member contributions can be held outside the direct control of CMT. In that case, the provisions of paras a) – c) above will apply, with the additional stipulation that any operational activities funded out of such contributions will always be formally endorsed by the CMT, and operationally handled as follows:
 - **Budget holder:** the budget holder of voting PRC member contributions to CDIA may be any party assigned by the PRC member concerned, to be explicitly described in the draft agreement with a prospective PRC voting member to be tabled for consideration of the PRC.
 - **Allocation of contributions:** Allocation of designated CDIA resources to operational activities will be handled by the budget holder assigned by the PRC member in close consultation with the CDIA CMT in accordance with the CDIA Operational Guidelines (particularly section 3.2 and Annex 2).
 - **Procurement:** procurement of goods and services out of the cash part of the contribution will be carried out by the assigned budget holder in accordance with procurement procedures prescribed by the PRC member concerned, subject to an operational endorsement of the CDIA CMT.

- **Reporting:** reporting on the utilization of voting PRC members' contribution shall be done by the budget holder in close co-ordination with the CDIA CMT, and in agreed formats suitable for consolidation in joint reporting managed by the CMT.
- **Changes in arrangements:** major changes in arrangements for non-core contributions will be agreed with CMT and notified to the PRC.

2 PROCEDURE FOR ADMITTANCE OF NEW VOTING PRC MEMBERS

New voting PRC members will be admitted by the PRC on the basis of documented evidence that the above criteria have been or are intended to be met. This will be laid down in a Memorandum of Understanding (MoU) to be signed by the authorized representative of the envisaged new voting PRC member and the PRC Chairperson on behalf of the PRC. A final negotiated draft MoU will be approved by consensus by the voting PRC members in a PRC meeting or by correspondence on no-objection basis, in accordance with the PRC protocol.

The CDIA CMT in its capacity of Secretariat to the PRC will facilitate the admittance process and - procedure. More specifically it will:

- a) Seek a PRC mandate to negotiate with prospective voting PRC members on behalf of the PRC;
- b) Carry out all preparatory work (in partnership with the envisaged new PRC member and current voting PRC members as may be required) up to finalizing the draft MoU for the PRC Chairperson's review prior to submission to the voting PRC members for review and approval;
- c) Keep PRC members appropriately informed of progress in the negotiations with prospective voting PRC members.

3 PROCEDURE FOR WITHDRAWAL OF VOTING PRC MEMBERS:

- d) **Voluntary withdrawal:** a party eligible for voting PRC membership may decide to exercise its option to take up voting PRC membership at any time during the validity period of its contribution to CDIA, or not at all; a voting PRC member may decide to terminate its membership at any time through formal notification thereof to the PRC Chairperson.
- e) **Expiry of contributory period:** a voting PRC member whose contribution is expiring will be reminded by the PRC Chairperson (through the CMT as may be instructed) six months before the expiry date that a replenishment will be required for continuing voting PRC membership. Failure to act appropriately within six months after the expiry date will lead to a change of status from voting member to observer in the PRC, formally communicated and laid down in the minutes of the next PRC meeting. Failure to appropriately replenish within one year after status conversion to observer will be deemed to constitute a withdrawal from voting member status without any further notification.

ANNEX: DEFINITION OF TERMS

“Cash” is defined as funds available for CMT funding of:

- “Non-establishment” consultants to CMT;
- Consulting services for city interventions;
- Consulting services for capacity development networking activities;
- Other support to relevant seminars, conferences and training events (participation, venues, travel costs etc.); and
- Office equipment and vehicle expenditures.

“Non-establishment” is defined as consulting positions other than as a staff or long-term consultants in/to (agencies of) partner organizations (long-term meaning over two years).

“In kind” means contributions of staff or long-term consultants in/to (agencies of) partner organizations, office support staff, office space (and equipment as applicable), transport and other logistical contributions, and other contributions not included in “cash” above.

Cash contributions may be “tied” or “un-tied”: “Tied” is defined as any contribution for which procurement is explicitly restricted to a country or a group of countries, and/or for which utilization is limited to a country or a group of countries within ADB’s DMCs.



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