

## Evaluation Approach Paper

# Asian Development Fund 12 and 13

### February 2023

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#### A. ASIAN DEVELOPMENT FUND: SUPPORT FOR THE REGION'S POOREST AND MOST VULNERABLE

1. ADB provides concessional ordinary capital resources lending (COL) and Asian Development Fund (ADF) grants to ADB's lower-income developing member countries (DMCs), consistent with Strategy 2030.<sup>1</sup> ADF was established in 1973 and initially provided loans to low-income countries on concessional terms, with grants introduced in 2005. In 2017, ADF's concessional loan portfolio was combined with ADB's ordinary capital resources (OCR) balance sheet, which expanded ADB's capital base. Since then, ADF has been a grant-only facility.

2. ADF 12 and 13 use has been affected by geopolitical challenges and the outbreak of the coronavirus disease (COVID-19) pandemic, which is estimated to have plunged 75–80 million people in Asia into extreme poverty.<sup>2</sup> While some DMC economies have started to rebound, some have experienced increased fragility and conflict e.g., support for Afghanistan and Myanmar was suspended in 2021. The Russian invasion of Ukraine has also disrupted global supply chains and led to trade boycotts, generating a global food and energy crisis, impacting many DMCs. The International Monetary Fund (IMF) has warned that it expects “one third of the global economy to be in recession” in 2023.<sup>3</sup> The economic downturn will further weaken economies and increase the vulnerabilities of hundreds of millions of people, many of whom lack access to financial and social safety nets to prevent them from slipping into poverty.

3. The Independent Evaluation Department (IED) assesses the performance of ADF operations every 4 years and provides lessons and recommendations for improving its development effectiveness and informing the next replenishment. The previous evaluation focused on ADF XI and 12 operations (2013–2018) and support for Strategy 2020.<sup>4</sup> It found that while poverty had declined in ADF countries, the rapidly accelerating climate crisis and poor performance against the Sustainable Development Goals (SDGs) meant that poverty gains might be reversed in the medium-term. Previous evaluations have consistently identified the need for ADB to enhance monitoring, evaluation, and reporting on ADF results, particularly in fragile and conflict affected situations (FCAS) and small island developing states (SIDS).

4. ADF 13 objectives are fully aligned with ADB's Strategy 2030 and independent evaluation of ADF performance over 2017–2022 has in part been covered through IED's regular work program. For example, IED has recently evaluated ADB's Pacific Approach, and its support for FCAS and SIDS; and has validated ADB's programs in Afghanistan, the Kyrgyz Republic, and Tajikistan. Evaluations of climate change, energy, finance, water, and the real-time evaluation of ADB's response to the COVID-19 pandemic have also assessed ADB performance covering

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<sup>1</sup> ADB. 2018. *Strategy 2030. Achieving a Prosperous, Inclusive, Resilient, and Sustainable Asia and the Pacific*. Manila.

<sup>2</sup> ADB. 2021. *Key Indicators for Asia and the Pacific 2021: 52nd Edition*. Manila.

<sup>3</sup> BBC. 2023. *Third of world in recession this year, IMF head warns*. By Suranjana Tewari and Peter Hoskins.

<sup>4</sup> IED. 2019. *Corporate Evaluation: Relevance and Results of Concessional Finance: Asian Development Fund XI and 12*. Manila: ADB. For ADF 12, the performance during the first 2 years was assessed.

concessional and non-concessional resources.<sup>5</sup> Specific areas that have not recently been evaluated by IED include the ADF performance-based allocation (PBA) framework, humanitarian support for Afghanistan and Bangladesh, and the early use of the pilot private sector window (PSW). An ADF midterm review (self-evaluation) is expected in March 2023, which IED intends to use to triangulate its evaluation findings.

## B. THE CASE FOR ADF GRANTS

5. The theory underpinning concessional resource use is that the poorest and most vulnerable DMCs have limited access to development finance and need COL and grants to achieve inclusive, resilient and sustainable development. The assumptions underlying the intended use of ADB COL and ADF grants are centered on addressing key constraints of poor and vulnerable DMCs: the limited financing options of poorer DMCs to respond to development challenges; countries' need for knowledge transfer, capacity development, and improved public management and governance to achieve development outcomes; and the need for debt distressed DMCs to access concessional assistance to reduce the burden of debt.

### 1. ADF Objectives

6. ADF 13 supports Strategy 2030's vision of an Asia and the Pacific that is prosperous, inclusive, resilient, and sustainable.<sup>6</sup> Additional objectives, as set out in the ADF 13 donors' report, emphasize the importance of grants for "(i) providing substantial funding amounts, particularly for SIDS and FCAS, and to facilitate change of investment priorities, (ii) providing more health-related assistance and emergency response, (iii) supporting countries with deteriorating debt sustainability, (iv) addressing adverse gender impacts, (v) addressing obstacles to private sector investment, (vi) strengthening thematic support for climate and disaster resilience, and (vii) increasing flexibility to better respond to unforeseen developments and country needs."<sup>7</sup>

7. Concessional assistance is expected to play a strong catalytic role in areas that maximize growth and poverty reduction. For example, at the project level, concessional resources act as an incentive to invest in targeted areas such as capacity development, knowledge generation, gender equality, climate adaptation and disaster risk reduction (DRR), regional public goods (e.g., regional health security and environmental protection); and to generate strong positive externalities at the national and regional levels. It suggests that grants are needed to support project investments in areas often underinvested by governments, while generating strong, positive national and regional externalities.

<sup>5</sup> The evaluation will draw from the completed country evaluations: (i) IED. 2022. *Kyrgyz Republic. Validation of the Country Partnership Strategy Final Review, 2018–2022*. Manila; (ii) IED 2021. *Afghanistan: Validation of the Country Partnership Strategy Final Review, 2015–2020*. Manila: ADB. (confidential); (iii) IED. 2021. *Pacific Approach: Validation of the Country Partnership Strategy Final Review, 2018–2022*. Manila: ADB; (iv) IED. 2021. *Tajikistan: Validation of the Country Partnership Strategy Final Review, 2016–2020*. Manila: ADB; corporate, thematic and sector-wide evaluations: (i) IED. 2022. *2022 Annual Evaluation Review: Fragile and Conflict-Affected Situations and Small Island Developing States*. Manila: ADB; (ii) IED. 2022. *Sector-wide Evaluation: ADB's Finance Sector Operations, 2011–2021*. Manila: ADB; (iii) IED. 2022. *Integrated Water Management: Sector-wide Evaluation of ADB's Water Policy and Program (2011–2021)*. Manila: ADB; (iv) IED. 2021. *ADB Support for Action on Climate Change, 2011–2020*. Manila: ADB; and (v) IED. 2021. *Real-Time Evaluation of ADB's Response to the COVID-19 Pandemic: Interim Notes (1 to 4) to the Board*. Manila: ADB (confidential)

<sup>6</sup> ADF 13 will implement Strategy 2030's seven operational priorities in the poorest and most vulnerable DMCs, and tackle remaining poverty and inequalities. The operational priorities are (i) addressing remaining poverty and reducing inequalities; (ii) accelerating progress in gender equality; (iii) tackling climate change, building climate and disaster resilience, and enhancing environmental sustainability; (iv) making cities more livable; (v) promoting rural development and food security; (vi) strengthening governance and institutional capacity; and (vii) fostering regional cooperation and integration.

<sup>7</sup> ADB. 2020. *Asian Development Fund 13 Donors' Report: Tackling the COVID-19 Pandemic and Building a Sustainable and Inclusive Recovery in Line with Strategy 2030*. Manila.

8. ADF 13 draws on a country-focused approach (footnote 7). The country partnership strategy (CPS) is the primary platform for defining ADB's operational focus in a country—with the DMC as the driver of its own development and ADB as a partner providing customized solutions to development needs and challenges. ADB's involvement in specific themes or sectors in a country are to be based on its comparative advantage in relation to other development partners, specific country demands, and the potential for value addition within ADB's capacity and resource envelope. ADB has committed to strengthen coordination and partnerships with other multilateral development banks and international financial institutions, bilateral partners, civil society organizations, and the private sector at the country level.

## 2. ADF Eligible Countries

9. ADB's DMC classification is determined by two criteria: gross national income (GNI) per capita and creditworthiness.<sup>8</sup> Group A countries include DMCs lacking creditworthiness. Group B countries include those with limited creditworthiness. Group C countries have adequate creditworthiness and per capita incomes exceeding World Bank's International Development Association (IDA) operational cutoff.<sup>9</sup> In 2023, there are 29 Group A and group B DMCs (the concessional assistance countries) that are eligible for ADF grants and/or COL. ADF grants are available mainly for group A countries, determined by their level of debt distress and economic vulnerability. For ADF 13, there are 13 group A countries accessing grants through country allocations, and most are classified as FCAS and/or SIDS (Table 1). Kyrgyz Republic, Solomon Islands, and Vanuatu are assessed to be at moderate risk of debt distress (ADF blend countries) and receive a blend of ADF grants and COL. Nepal, Bhutan, Cambodia, Lao People's Democratic Republic (PDR), and Myanmar are COL only. Group B countries have retained access to grants from the regional set-aside and thematic pool on a selective basis.

**Table 1: ADF and Concessional OCR Lending Countries, 2023**

| Group A (ADF grants, COL, and TASF)  |  |  |  | Group B<br>(COL, regular OCR, and TASF)  |
|--|--|--|--|--|
| ADF Only<br>(100% ADF grants)<br>high risk of debt distress  | ADF Blend<br>(50% ADF grants)<br>moderate risk of debt distress  | COL Only<br>(0% ADF grants)<br>low risk of debt distress | IDA Gap<br>(0% ADF grants and 100% COL)                    |  |
| Afghanistan <b>f</b><br>Federated States of Micronesia <b>fσ</b><br>Kiribati <b>fσ</b><br>Maldives <b>σ</b><br>Marshall Islands <b>fσ</b><br>Nauru <b>fσ</b><br>Samoa <b>σ</b><br>Tajikistan<br>Tonga <b>σ</b><br>Tuvalu <b>fσ</b> | Kyrgyz Republic<br>Solomon Islands <b>fσ</b><br>Vanuatu <b>σ</b> | Nepal  | Bhutan<br>Cambodia<br>Lao PDR <b>f</b><br>Myanmar <b>f</b> | Bangladesh<br>Cook Islands <b>σ</b><br>Fiji <b>σ</b><br>India<br>Mongolia<br>Niue <b>σ</b><br>Pakistan<br>Palau <b>fσ</b><br>Papua New Guinea <b>fσ</b><br>Timor-Leste <b>fσ</b><br>Uzbekistan |

**f** = fragile and conflict-affected situations, **σ** = small island developing states, ADF = Asian Development Fund, COL = concessional ordinary capital resources lending, IDA = International Development Association, Lao PDR = Lao People's Democratic Republic, OCR = ordinary capital resources, TASF = Technical Assistance Special Fund.

Notes: 1. International Development Association gap countries are not eligible for ADF grant country allocations. They are countries (except SIDS) that have had gross national income per capita above the operational cutoff for IDA eligibility for more than 2 consecutive years. The operational cutoff is \$1,205.0 (2020 prices), estimated using the Atlas method.

2. The Cook Islands became a group B country effective 1 January 2023.

3. India has no access to concessional assistance.

Source: ADB. 2023. *Operations Manual Section A1: Classification and Graduation of Member Countries*. Manila. Internal.

<sup>8</sup> Gross national income per capita is measured based on the World Bank's Atlas method, which smoothens exchange rate fluctuations by using a 3-year moving average, price-adjusted conversion factor.

<sup>9</sup> International Development Association gap countries are not eligible for ADF grants. They are group A countries (except SIDS) that have had GNI per capita above the operational cutoff for IDA eligibility for more than 2 consecutive years and are assessed as a gap country by IDA. The operational cutoff is \$1,185 (2019 prices). As of September 2020, the IDA gap countries among ADB's DMCs were Bhutan, Lao PDR, and Myanmar.

### 3. ADF 12 and 13 Financing

10. ADF donors agreed a total of \$6.5 billion for ADF 12 and 13 and \$978.5 million for the Technical Assistance Special Fund (TASF 6 and 7). The intended use of the funds is similar between the two replenishments (Table 2).<sup>10</sup> However, ADF 13 introduced a pilot PSW and enhanced the disaster response facility (DRF+), while the (10%) subregional set aside under ADF 12 for regional programs and projects, together with regional health security, became integrated in the ADF 13 thematic pool. ADB introduced two other themes in this new thematic pool: climate adaptation and gender. Overall, ADF 13 originally allocated relatively more (62%) to country programs than ADF 12 (51%), and within this allocated more to FCAS and SIDS. This was in part because of the large amount of post-conflict support intended for Afghanistan, and the newly introduced economic vulnerability premium (EVP) applied to SIDS.<sup>11</sup>

**Table 2: Indicative Distribution of Funds at ADF 12 and 13 Commencement (2016 and 2020)**

| Asian Development Fund 12 and Technical Assistance Special Fund 6<br>Grant Funding Requirement |                        | Asian Development Fund 13 Funding and Indicative Allocation<br>(\$ million) |              |             |
|--|------------------------|---|--------------|-------------|
| Item   | ADF 12<br>(\$ million) | Item  | ADF 13       |             |
|  |                        |   | Amount       | %           |
| Country allocations <sup>a</sup>   | 1,678                  | Country allocations   | 1,983        | 62%         |
| Subregional set-aside  | 769                    | Of which: Performance-Based Allocation                                      | 1,054        | 33%         |
| 1. ADF grant operational program   | 2,447                  | Special Support to Afghanistan  | 516          | 16%         |
| 2. Reserve for changes in debt distress  | 319                    | SIDS Premium  | 413          | 13%         |
| 3. Disaster Response Facility  | 218                    | Thematic pool   | 671          | 21%         |
| 4. Regional Health Facility  | 53                     | Pilot Private Sector Window   | 64           | 2%          |
| 5. Administrative expense  | 266                    | Enhanced Disaster and Pandemic Response Facility                            | 256          | 8%          |
| <b>Total ADF operations</b>  | <b>3,303</b>           | Reserve for changes in debt distress  | 224          | 7%          |
| 6. Allocation to the TASF  | 461                    | <b>Total ADF Grants</b>   | <b>3,198</b> | <b>100%</b> |
| <b>Total funding requirement</b>   | <b>3,764</b>           | ADF = Asian Development Fund, SIDS = small island developing states.        |              |             |
| ADF = Asian Development Fund, TASF = Technical Assistance Special Fund.                        |                        | Note: Numbers may not sum precisely because of rounding.                    |              |             |
| <sup>a</sup> Includes \$147 million for disaster risk reduction.                               |                        |   |              |             |
| Notes:   |                        |   |              |             |
| 1. Numbers may not sum precisely because of rounding.  |                        |   |              |             |
| 2. Amounts are subject to change pending additional donor pledges.                             |                        |   |              |             |

ADF = Asian Development Fund, SIDS = small island developing states, TASF = Technical Assistance Special Fund.

Notes: 1. ADF 13 table excludes the administrative expense item (\$346 million) and TASF (\$517 million).

2. The figures in Table 2 are indicative and based on preliminary data presented in the ADF 12 and 13 donors' reports. The data presented does not reflect the final figures.

Sources: ADB. 2016. *Asian Development Fund 12 Donors' Report*. Manila; ADB. 2020. *Asian Development Fund 13 Donors' Report*. Manila.

### 4. ADF Grant Resource Allocation Framework

11. The ADF 13 resource allocation framework adopts a two-pillar approach, consisting of country- and theme-based components. It also includes an ADF grant reserve for changes in debt distress, which is intended to finance increased demand for ADF grants because of deterioration in DMCs' debt distress situation.<sup>12</sup> To determine the country allocation, ADB uses a PBA framework that uses a formula prioritizing country performance. The country allocation also applies an EVP for concessional assistance SIDS, and a special allocation for Afghanistan. The theme-

<sup>10</sup> ADF 12 priorities included (i) gender, (ii) fragility, (iii) food security, (iv) private sector development, (v) governance, climate change and disaster response, and (vi) regional public goods. ADF 13 priorities are (i) supporting FCAS and SIDS; (ii) achieving the SDG 5 transformative gender agenda; (iii) addressing climate change and supporting disaster resilience; (iv) fostering RCI, including the provision of RPGs such as regional health security, which is part of the universal health coverage agenda, and ocean health, biodiversity, and ecosystem services; (v) supporting private sector operations in group A countries; and (vi) enhancing debt sustainability. ADB. 2016. *ADF 12 Donors' Report: Scaling Up for Inclusive and Sustainable Development in Asia and the Pacific*. Manila.

<sup>11</sup> The EVP for SIDS is calibrated based on the United Nation's Committee for Development Policy's economic vulnerability index, which captures characteristics such as population size, remoteness, size of economic base, and vulnerability to climate change. The EVP complements the PBAs for ADF-eligible SIDS. Based on their EVI scores, ADF-eligible SIDS are assigned premium amounts. ADF-eligible SIDS at high risk of debt distress are allocated the full amount of the EVP as grants, and ADF-eligible SIDS at moderate risk of debt distress are allocated half the amount of the EVP as grants, with the remaining amount allocated as COL.

<sup>12</sup> ADB. 2020. *Concessional Assistance Policy for ADF 13 Period*. Manila, October.

based components are allocated to projects that meet certain criteria for the ADF 13 thematic pool, pilot PSW, and DRF+. In 2020, donors agreed on a total replenishment of \$4.1 billion, consisting of \$3.6 billion for ADF 13 and \$517.0 million for TASF 7. In contrast, COL resources were estimated at \$13.2 billion for country allocations over 2017–2020 and an indicative \$13.2 billion over 2021–2024.<sup>13</sup>

## C. EVALUATION PURPOSE AND SCOPE

12. The purpose of the evaluation is to examine the performance of ADF 12 and 13 concessional resources; and inform negotiations for ADF 14.<sup>14</sup> The evaluation will focus on the allocation, use, and performance of ADB concessional assistance for ADF DMCs, primarily ADF grants in the 10 ADF grant-only countries and 3 ADF blend countries. It will draw from the ADF 13 midterm review (self-evaluation) and validate and update its findings on the thematic pool, DRF+, pilot PSW, and support for Afghanistan. The evaluation will examine the PBA framework, the EVP for SIDS, and the novel financing arrangement in Afghanistan. Lastly, given the introduction and prominence of ADF in the FCAS and SIDS Approach (FSA), the evaluation will assess the initial progress made since its adoption in 2021, and pay attention to the monitoring and evaluation systems to confirm that they provide timely evidence on ADF results.<sup>15</sup>

### 1. ADF Theory of Change

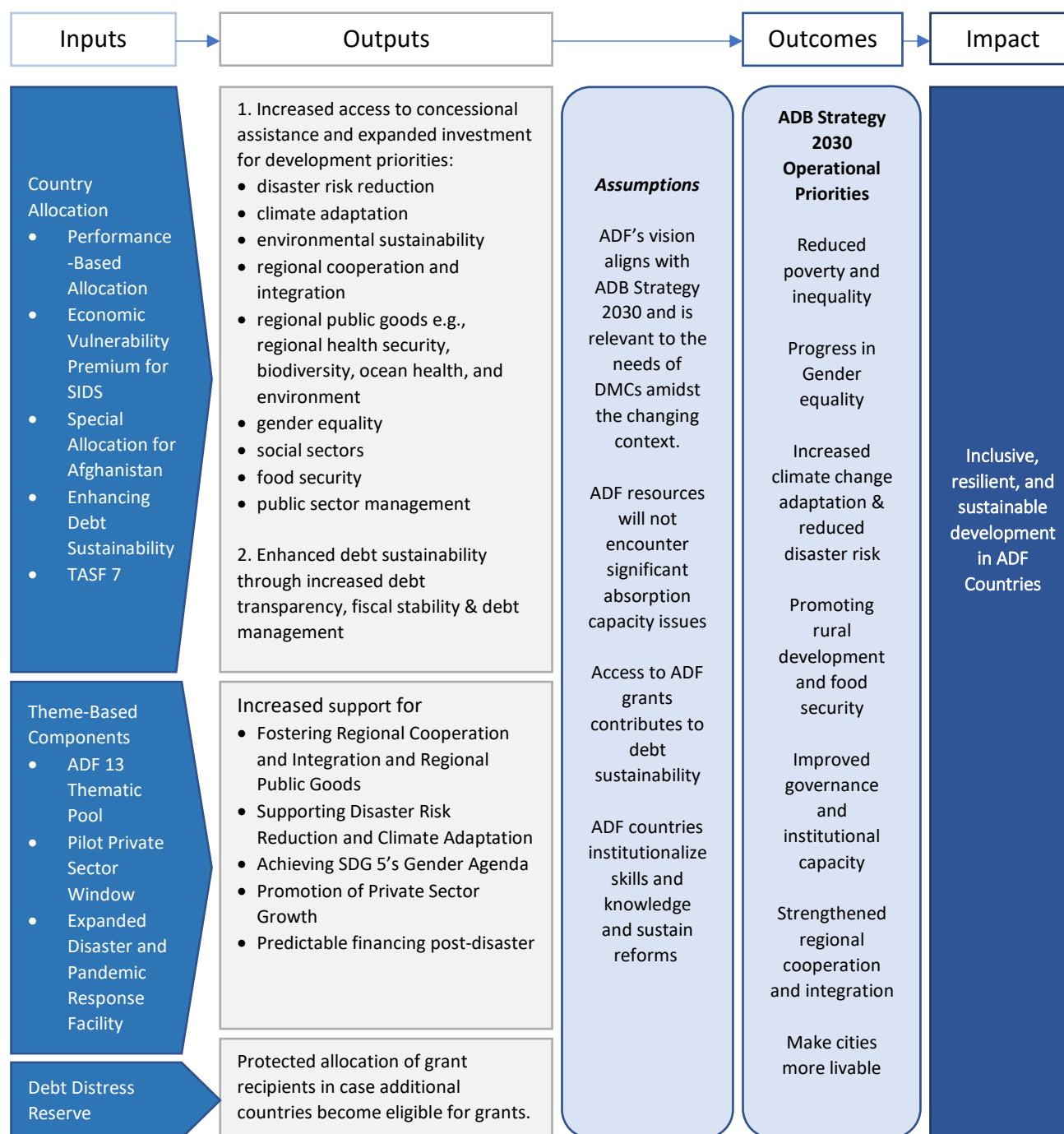
13. ADB does not articulate a theory of change for ADF grants and COL in its policy documents and donor reports, and as such the one used for this evaluation is inferred from the strategic directions and allocation frameworks outlined in the Concessional Assistance Policy for the ADF 13 period (Figure 1). The evaluation will consider key outputs and outcomes from ADF 12 and 13, with a focus on ADF 13. ADF 13 contributes to the goals of ADB's Strategy 2030 by working through the seven operational priorities and using differentiated approaches in FCAS and SIDS. ADF 13 increased the focus on FCAS and SIDS, gender, disaster resilience and climate change, private sector operations, and debt sustainability. The theory of change implies that concessional assistance (inputs) enables the poorest DMCs to deliver development priorities in areas where governments may otherwise underinvest and to enhance debt sustainability (outputs); and that this leads to the achievement of development outcomes (ADB Strategy 2030 Operational Priorities), which ultimately result in more inclusive, resilient, and sustainable development.

<sup>13</sup> ADB. 2021. *2020 ADF 12 and ADF 13 Implementation Update*. Manila. Restricted.

<sup>14</sup> The evaluation will examine trends in performance of ADF operations from IED's database on project completion report validation reports and other evaluation reports, acknowledging that it will be too soon to fully evaluate the results of most operations under ADF 12 and 13. ADF performance will be examined in accordance with the Organisation for Economic Cooperation and Development, Development Effectiveness Committee, evaluation criteria: relevance, efficacy, efficiency and sustainability.

<sup>15</sup> ADB. 2021. *Fragile And Conflict-Affected Situations And Small Island Developing States Approach*. Manila.

**Figure 1: A Theory of Change for ADF Grants**



Context Analysis: Poor countries in Asia and the Pacific, at risk of debt distress, have limited access to capital markets, have narrow economies, are more vulnerable to risks associated with climate change and natural hazards, and in FCAS, face multidimensional socio-political, institutional, structural, and economic instability and crises. COVID-19 has exacerbated debt vulnerability, making grant support even more crucial to ADF countries.

ADB = Asian Development Bank, ADF = Asian Development Fund, COVID-19 = coronavirus disease, DMC = developing member country, FCAS = fragile and conflict-affected situations, SDG = Sustainable Development Goal, TASF = Technical Assistance Special Fund.

Source: Independent Evaluation Department.

## D. EVALUATION QUESTIONS

14. The main question underpinning the evaluation is: How well are ADF grant resources used by ADB to achieve Strategy 2030 objectives and what results are emerging?

15. The following subquestions support the main evaluation question and are expanded upon in the evaluation framework in Appendix 4:

- (i) How relevant is ADF grant financing to inclusive and sustainable development in Asia and the Pacific, particularly in FCAS and SIDS?
- (ii) How effective is the resource allocation framework for ADF grant resources in responding to the region's development needs?
- (iii) To what extent are ADF grant-funded operations delivering results as intended?
- (iv) To what extent are humanitarian and emergency grant assistance projects efficiently managed and delivering results?

## E. EVALUATION METHODOLOGY

16. The evaluation will follow a mixed methods approach combining qualitative and quantitative data collection methods on various topics. Consistent with the ADF 13 donors' report, the methodology will prioritize assessing the investments and approaches in FCAS and SIDS (footnote 15). The evaluation will primarily focus on ADF grants as opposed to other forms of concessional assistance. The following methods will be used:

- (i) **Literature Review.** A review of current literature on international finance and the use of grants for development by multilateral development banks (MDBs) will be undertaken to consider emerging issues and trends, including on the concessional financing allocation mechanisms used by other MDBs.
- (ii) **Review of Portfolio Data.** The portfolio review will analyze ADF 12 and ADF 13 grant and COL operations, including TA from TASF 6 and 7, across the country categories for grant-only and for ADF blend, by sector and by ADF 13 objectives to determine trends in grant-only and ADF blend use (approvals and pipeline) and performance over 2017–2022. The portfolio review will also cover the ADF thematic pool, the ADF set-asides, the DRF+ and pilot PSW. Historical project success rates may be reviewed to determine country and regional trends. All concessional assistance countries will be included in the portfolio review noting that 29 countries are currently classified as group A or group B countries eligible for ADF grants (group B countries have access to grants from the regional set-aside and thematic pool on a selective basis).
- (iii) **Review of Evaluation Findings, ADF reports, and proactive integrity reviews (PIRs).** The evaluation will draw on evidence in completed IED evaluations, e.g., validations of country partnership strategy final reviews and project completion reports, and other recent corporate, thematic and sector-wide evaluations. The ADF midterm review findings will be considered and supplemented where possible. The lessons learned from ADB's Office of Anticorruption and Integrity (OAI) PIRs will also be used to identify and analyse integrity issues that affect the performance of ADF support.
- (iv) **Country missions.** Country missions will be undertaken to three Pacific DMCs e.g., Marshall Islands, Solomon Islands, and Tonga; two Central and West Asia DMCs i.e., Tajikistan and Kyrgyz Republic; and one South Asia DMC i.e.,

Bangladesh (Appendix 5). Country missions will be complemented with structured desk review of country and/or project documents and portfolio review to assess the extent to which ADF priorities are being pursued and what results have been achieved.

- (v) **Interviews with ADB staff, country officials, development partners, and other stakeholders.** The evaluation will include a mix of structured and semi-structured interviews with internal and external stakeholders to examine cross-cutting inquiries to inform and complement the above approaches. External stakeholders may include for example, civil society organizations and private sector partners. Interviews will be conducted with ADB staff and development partners for the evaluation of humanitarian emergency operations in Afghanistan.

## F. LIMITATIONS

17. The evaluation faces the following limitations: (i) it is too early for a full assessment of ADF 12 results, while ADF 13 is only halfway through its implementation and most operations are ongoing; (ii) not all recipient countries can be visited for the evaluation due to time and resource constraints; (iii) some policies and strategies are in the early stages of implementation and results may not yet be evident; and (iv) the ADB new operating model (reorganization) may have some consequences for the evaluation.<sup>16</sup>

## G. DISSEMINATION

18. A message-driven report will be tailored to communicate key evaluation findings and its underpinning evidence to the Board of Directors (Appendix 6). The report and management response will be uploaded on the IED website. IED will present the results of the evaluation at the ADF replenishment meeting in November 2023 and share copies of the report via key social media platforms.

## H. RESOURCE REQUIREMENTS

19. The ADF team will comprise Melinda Sutherland, Principal Evaluation Specialist as team leader; and team members Benjamin Graham, Advisor-IED; Nassreena Baddiri, Evaluation Specialist; Ma. Patricia Lim, Senior Evaluation Officer; and Myrna Fortu, Evaluation Analyst. Support will be provided by a team of consultants (in headquarters and in-country). The terms of reference for consultants are in Appendix 7 and cost estimates are in Appendix 8 (both are not for public disclosure). The evaluation will be reviewed by two external peer reviewers and an IED evaluator.

## I. INDICATIVE TIMELINE

20. The following timeframe is proposed:

**Table 3: Indicative Schedule of Evaluation Activities and Milestones**

| Activities and Milestones                   | Target Date      |
|---|------------------|
| Approval of evaluation approach paper       | February 2023    |
| Interviews and Country Missions             | March-April 2023 |
| Storyline meeting                           | May 2023         |
| Interdepartmental circulation of evaluation | June 2023        |
| Heads of Departments meeting                | August 2023      |
| Development Effectiveness Committee meeting | October 2023     |

<sup>16</sup> ADB. 2022. *Organizational Review: A New Operating Model to Accelerate ADB's Transformation toward Strategy*



Appendixes:

1. ADF 12 and 13 Classification of Concessional Assistance Countries
2. Allocation of Concessional Resources
3. ADF 12 and 13 Lending and Grants by Country, 2017–2022
4. Indicative Evaluation Framework
5. Country Mission Selection
6. Evaluation Communications Plan
7. Outline Terms of Reference of Consultants (available upon request)
8. Cost Estimates (available upon request)

**Table A1.1: Classification of Concessional Assistance Countries at ADF 12 commencement in 2016**

| <b>Grants-only Countries<sup>b</sup></b>  | <b>CA-only Countries<sup>a</sup><br/>ADF Blend Countries<sup>c</sup></b>       | <b>COL-only<br/>Countries<sup>d</sup></b> | <b>OCR Blend<br/>Countries</b>   |
|---|--|---|--|
| Afghanistan<br>Kiribati<br>Maldives<br>Marshall Islands<br>Nauru<br>Samoa<br>Tuvalu | Bhutan<br>Kyrgyz Republic<br>Solomon Islands<br>Tajikistan<br>Tonga<br>Vanuatu | Cambodia<br>Lao PDR<br>Myanmar<br>Nepal   | Bangladesh<br>Federated States of<br>Micronesia<br>Mongolia<br>Pakistan<br>Palau<br>Papua New Guinea<br>Sri Lanka<br>Timor-Leste<br>Uzbekistan<br>Viet Nam |

ADF = Asian Development Fund, CA = concessional assistance, COL= concessional OCR-only, Lao PDR = Lao People's Democratic Republic, OCR = ordinary capital resources.

<sup>a</sup> Based on the 2014 Debt Distress Classification for ADF-only Countries.

<sup>b</sup> High risk of debt distress.

<sup>c</sup> Moderate risk of debt distress.

<sup>d</sup> Low risk of debt distress.

Source: ADB. 2013. Classification and Graduation of Developing Member Countries. *Operations Manual*. OM A1/BP. Manila; ADB. 2016. *ADF 12 Donors' Report: Scaling Up for Inclusive and Sustainable Development in Asia and the Pacific*. Manila.

**Table A1.2: Concessional Ordinary Capital Resources Lending Countries at ADF 13 commencement in 2016**

| <b>Group A<sup>a</sup></b><br>(ADF grants, COL, and TASF)   |  |   | <b>Group B</b><br>(COL, regular OCR, TASF 7 and selective access to thematic ADF grants)                                  |
|---|--|---|---|
| <b>High risk of debt distress</b><br>(ADF grants and TASF 7)  | <b>Moderate risk of debt distress</b><br>(ADF grants, COL, and TASF 7) | <b>Low risk of debt distress or IDA gap</b><br>(Thematic ADF grants, COL, and TASF 7) |   |
| Afghanistan <b>f</b><br>Micronesia, Federates States of <b>fσ</b><br>Kiribati <b>fσ</b><br>Maldives <b>σ</b><br>Marshall Islands <b>fσ</b><br>Nauru <b>fσ</b><br>Samoa <b>σ</b><br>Tajikistan<br>Tonga <b>σ</b><br>Tuvalu <b>fσ</b> | Kyrgyz Republic<br>Solomon Islands <b>fσ</b><br>Vanuatu <b>σ</b>       | Bhutan<br>Cambodia<br>Lao PDR<br>Myanmar<br>Nepal                                     | Bangladesh<br>Mongolia<br>Pakistan<br>Palau <b>σ</b><br>Papua New Guinea <b>fσ</b><br>Timor-Leste <b>fσ</b><br>Uzbekistan |

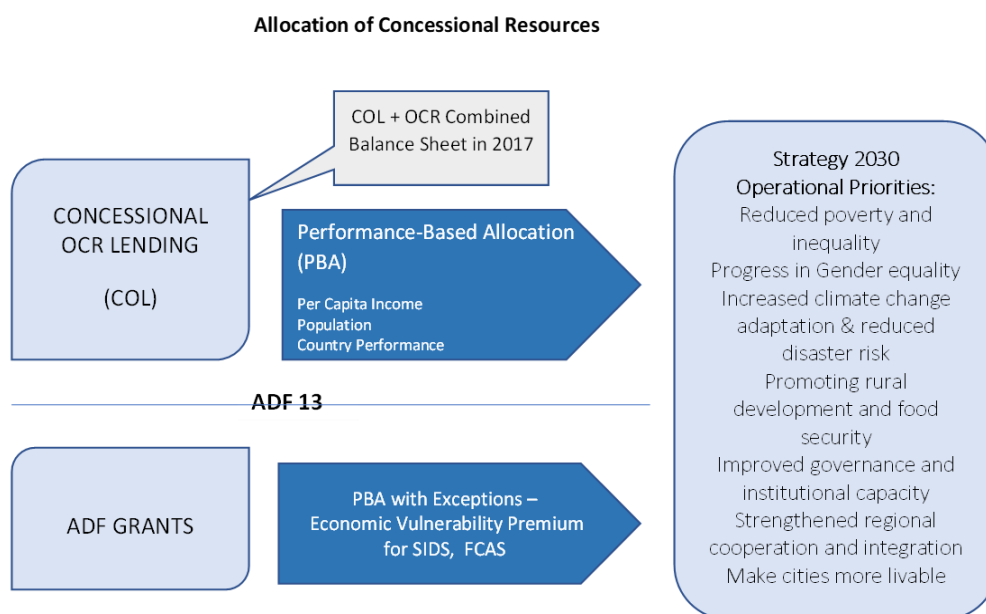
**f** = fragile and conflict-affected situation, **σ** = small island developing states, ADF = Asian Development Fund, COL = concessional ordinary capital resources lending, IDA = International Development Association, Lao PDR = Lao People's Democratic Republic, TASF = Technical Assistance Special Fund.

Notes: 1. As of 2020, the IDA gap countries were Bhutan, Lao PDR, and Myanmar. They have had gross national income per capita above the operational cutoff for IDA eligibility for more than 2 consecutive years and are assessed as gap by the IDA.

2. India does not have access to concessional assistance and is a regular OCR-only borrowing country.

<sup>a</sup> Based on the 2020 Debt Distress Classification for ADF and COL countries as of 2020.

Source: ADB. 2020. *ADF 13 Donors' Report: Tackling the COVID-19 Pandemic and Building a Sustainable and Inclusive Recovery in line with Strategy 2030*. Manila.

**Figure A2.1: Concessional and ADF Grants during ADF 12 by Country, 2017–2020**

ADF=Asian Development Fund, COL= concessional ordinary capital resources lending, FCAS=fragile and conflict-affected situations, OCR= ordinary capital resources, PBA= performance-based allocation, SIDS= small island developing states

**Table A3.1: Concessional and ADF Grants during ADF 12 by Country, 2017–2020**

| Country                          | COL        |                     | ADF Grants |                     | Total      |                     |
|----------------------------------|------------|---------------------|------------|---------------------|------------|---------------------|
|                                  | Number     | Volume (\$ million) | Number     | Volume (\$ million) | Number     | Volume (\$ million) |
| Afghanistan                      | 0          | -                   | 12         | 1,288.64            | 12         | 1,288.64            |
| Bangladesh                       | 22         | 2,313.45            | 1          | 100.00              | 23         | 2,413.45            |
| Bhutan                           | 7          | 156.89              | 5          | 69.26               | 12         | 226.15              |
| Cambodia                         | 21         | 1,306.86            | 6          | 15.10               | 27         | 1,321.95            |
| Fiji                             | 0          | -                   | 0          | -                   | 0          | -                   |
| Federated States of Micronesia   | 0          | -                   | 7          | 65.26               | 7          | 65.26               |
| Kyrgyz Republic                  | 7          | 222.68              | 13         | 235.84              | 20         | 458.52              |
| Kiribati                         | 0          | -                   | 8          | 72.10               | 8          | 72.10               |
| Lao People's Democratic Republic | 6          | 158.88              | 9          | 254.60              | 15         | 413.48              |
| Maldives                         | 4          | 76.01               | 5          | 100.98              | 9          | 176.99              |
| Mongolia                         | 11         | 263.16              | 0          | -                   | 11         | 263.16              |
| Myanmar                          | 14         | 2,145.06            | 2          | 15.80               | 16         | 2,160.86            |
| Nauru                            | 0          | -                   | 4          | 63.30               | 4          | 63.30               |
| Nepal                            | 19         | 2,296.06            | 2          | 20.00               | 21         | 2,316.06            |
| Pakistan                         | 9          | 1,892.02            | 0          | -                   | 9          | 1,892.02            |
| Palau                            | 2          | 25.00               | 0          | -                   | 2          | 25.00               |
| Papua New Guinea                 | 6          | 201.45              | 0          | -                   | 6          | 201.45              |
| Republic of the Marshall Islands | 0          | -                   | 11         | 66.20               | 11         | 66.20               |
| Samoa                            | 1          | 3.10                | 8          | 150.66              | 9          | 153.76              |
| Solomon Islands                  | 4          | 59.00               | 9          | 55.24               | 13         | 114.24              |
| Sri Lanka                        | 8          | 286.78              | 1          | 12.50               | 9          | 299.28              |
| Tajikistan                       | 1          | 30.36               | 16         | 671.41              | 17         | 701.77              |
| Timor Leste                      | 1          | 25.00               | 0          | -                   | 1          | 25.00               |
| Tonga                            | 3          | 8.36                | 14         | 99.98               | 17         | 108.34              |
| Tuvalu                           | 0          | -                   | 9          | 50.22               | 9          | 50.22               |
| Uzbekistan                       | 12         | 1,299.54            | 0          | -                   | 12         | 1,299.54            |
| Vanuatu                          | 3          | 8.95                | 7          | 50.17               | 10         | 59.11               |
| Viet Nam                         | 15         | 1,441.13            | 1          | 12.00               | 16         | 1,453.13            |
| <b>Total</b>                     | <b>176</b> | <b>14,219.73</b>    | <b>150</b> | <b>3,469.25</b>     | <b>326</b> | <b>17,688.98</b>    |

ADB = Asian Development Bank, ADF = Asian Development Fund, COL = concessional OCR lending.  
Source: Asian Development Bank database.

**Table A3.2: Concessional and ADF Grants during ADF 13 by Country, 2021–2022**

| Country                         | COL    |                     | ADF Grants |                     | Total  |                     |
|---------------------------------|--------|---------------------|------------|---------------------|--------|---------------------|
|                                 | Number | Volume (\$ million) | Number     | Volume (\$ million) | Number | Volume (\$ million) |
| Afghanistan                     | 0      | -                   | 5          | 455.00              | 5      | 455.00              |
| Bangladesh                      | 8      | 1,013.50            | 2          | 46.40               | 10     | 1,059.90            |
| Bhutan                          | 5      | 109.61              | 2          | 16.00               | 7      | 125.61              |
| Cambodia                        | 5      | 422.05              | 0          | -                   | 5      | 422.05              |
| Fiji                            | 1      | 60.00               | 0          | -                   | 1      | 60.00               |
| Federated States of Micronesia  | 0      | -                   | 2          | 9.00                | 2      | 9.00                |
| Kyrgyz Republic                 | 6      | 168.30              | 7          | 123.20              | 13     | 291.50              |
| Kiribati                        | 0      | -                   | 0          | -                   | 0      | -                   |
| Lao Peoples Democratic Republic | 0      | -                   | 0          | -                   | 0      | -                   |
| Maldives                        | 0      | -                   | 1          | 10.00               | 1      | 10.00               |
| Mongolia                        | 2      | 36.10               | 0          | -                   | 2      | 36.10               |
| Myanmar                         | 0      | -                   | 0          | -                   | 0      | -                   |
| Nauru                           | 0      | -                   | 2          | 20.00               | 2      | 20.00               |
| Nepal                           | 3      | 285.00              | 1          | 10.00               | 4      | 295.00              |
| Pakistan                        | 5      | 1,450.00            | 2          | 8.00                | 7      | 1,458.00            |
| Palau                           | 2      | 25.00               | 1          | 0.77                | 3      | 25.77               |

| Country                          | COL       |                     | ADF Grants |                     | Total     |                     |
|----------------------------------|-----------|---------------------|------------|---------------------|-----------|---------------------|
|                                  | Number    | Volume (\$ million) | Number     | Volume (\$ million) | Number    | Volume (\$ million) |
| Papua New Guinea                 | 2         | 60.00               | 0          | -                   | 2         | 60.00               |
| Republic of the Marshall Islands | 0         | -                   | 2          | 9.00                | 2         | 9.00                |
| Samoa                            | 0         | -                   | 3          | 20.50               | 3         | 20.50               |
| Solomon Islands                  | 1         | 24.42               | 3          | 27.96               | 4         | 52.38               |
| Sri Lanka                        | 0         | -                   | 0          | -                   | 0         | -                   |
| Tajikistan                       | 0         | -                   | 5          | 186.20              | 5         | 186.20              |
| Timor Leste                      | 3         | 174.00              | 0          | -                   | 3         | 174.00              |
| Tonga                            | 0         | -                   | 3          | 55.50               | 3         | 55.50               |
| Tuvalu                           | 0         | -                   | 3          | 51.50               | 3         | 51.50               |
| Uzbekistan                       | 4         | 423.00              | 1          | 3.00                | 5         | 426.00              |
| Vanuatu                          | 0         | -                   | 4          | 18.38               | 4         | 18.38               |
| Vietnam                          | 0         | -                   | 0          | -                   | 0         | -                   |
| <b>Total</b>                     | <b>47</b> | <b>4,250.98</b>     | <b>49</b>  | <b>1,070.41</b>     | <b>96</b> | <b>5,321.39</b>     |

ADB = Asian Development Bank, ADF = Asian Development Fund, COL = concessional OCR lending.

Note: Data as of 30 November 2022.

Source: Asian Development Bank database.

**Table A3.3: Thematic Pool Commitments for ADF 13 (as of 14 December 2022), \$ million**

| Approval Year | Approval Number | Country         | Project Name  | Fund Subtype              | Total Amount (\$ million) |
|---------------|-----------------|-----------------|---|---------------------------|---------------------------|
| 2021          | 812             | Bhutan          | Green and Resilient Affordable Housing Sector Project   | Thematic Pool DRR Climate | 2.00                      |
| 2021          | 812             | Bhutan          | Green and Resilient Affordable Housing Sector Project   | Thematic Pool Gender      | 4.00                      |
| 2021          | 793             | Kyrgyz Republic | Landslide Risk Management Sector Project  | Thematic Pool DRR Climate | 23.50                     |
| 2021          | 814             | Pakistan        | Integrated Social Protection Development Program  | Thematic Pool DRR Climate | 3.00                      |
| 2021          | 816             | Pakistan        | Khyber Pakhtunkhwa Cities Improvement Project   | Thematic Pool Gender      | 5.00                      |
| 2021          | 796             | Palau           | COVID-19 Response for Affected Poor and Vulnerable Groups Project                                       | Thematic Pool Gender      | 0.77                      |
| 2021          | 810             | Tajikistan      | Climate- and Disaster-Resilient Irrigation and Drainage Modernization in the Vakhsh River Basin Project | Thematic Pool DRR Climate | 6.60                      |
| 2022          | 847             | Kyrgyz Republic | Strengthening Regional Health Security  | Thematic Pool RCI and RPG | 20.00                     |
| 2022          | 841             | Tajikistan      | Dushanbe Water Supply and Sanitation Additional Financing   | Thematic Pool Gender      | 3.00                      |
| 2022          | 842             | Uzbekistan      | Climate Adaptive Water Resources Management in the Aral Sea Basin                                       | Thematic Pool DRR Climate | 3.00                      |
| 2022          | 849             | Tuvalu          | Strengthening Domestic Shipping Project   | Thematic Pool RCI and RPG | 5.00                      |
| 2022          | 825             | Vanuatu         | COVID-19 Response Project for Affected Poor and Vulnerable Groups                                       | Thematic Pool Gender      | 3.50                      |
| 2021          | 805             | Bangladesh      | Dhaka Environmentally Sustainable Water Supply Project – Additional Financing                           | Thematic Pool Gender      | 5.00                      |

| Approval Year | Approval Number | Country    | Project Name  | Fund Subtype              | Total Amount (\$ million) |
|---------------|-----------------|------------|---|---------------------------|---------------------------|
| 2022          | 858             | Bangladesh | Coastal Towns Climate Resilience Sector Project   | Thematic Pool DRR Climate | 4.00                      |
| 2022          | 855             | Bhutan     | Renewable Energy for Climate Resilience Project   | Thematic Pool DRR Climate | 10.00                     |
| 2022          | 874             | Bhutan     | Water Flagship Program Sector Project   | Thematic Pool DRR Climate | 6.00                      |
| 2022          | 867             | Maldives   | Strengthening Gender Inclusive Initiatives Project  | Thematic Pool Gender      | 5.00                      |
| 2022          | 845             | Nepal      | Nuts and Fruits in Hilly Areas  | Thematic Pool RCI and RPG | 10.00                     |
| 2022          | 864             | Nepal      | Strengthening Systems to Protect and Uplift Women Project   | Thematic Pool Gender      | 12.00                     |
| 2022          | 872             | Cambodia   | GMS Cross-Border Livestock Health and Value Chains Improvement Project  | Thematic Pool RCI and RPG | 12.00                     |
| 2022          | 869             | Cambodia   | Sustainable Coastal and Marine Fisheries Project  | Thematic Pool RCI and RPG | 15.00                     |
| 2022          | 869             | Cambodia   | Sustainable Coastal and Marine Fisheries Project  | Thematic Pool DRR Climate | 5.00                      |
| 2022          | 869             | Cambodia   | Sustainable Coastal and Marine Fisheries Project  | Thematic Pool Gender      | 2.00                      |
| 2022          | 856             | Cambodia   | Greater Mekong Subregion Border Areas Health Project [Greater Mekong Subregion Healthy Border Special Economic Zones Project] | Thematic Pool RCI and RPG | 4.20                      |
| 2022          | 856             | Cambodia   | Greater Mekong Subregion Border Areas Health Project [Greater Mekong Subregion Healthy Border Special Economic Zones Project] | Thematic Pool Gender      | 1.35                      |

ADF = Asian Development Fund, COVID-19 = coronavirus disease, DRR = disaster risk reduction, GMS = Greater Mekong Subregion, RCI = regional cooperation and integration, RPG = regional public goods.

Source: Asian Development Bank, Strategy, Policy, and Partnerships Department.

## INDICATIVE EVALUATION FRAMEWORK

| Main Evaluation Question:<br>How well are ADF grant resources used by ADB to achieve Strategy 2030 objectives and what results are emerging? |   |                     |                     |                      |                    |                   |                  |
|--|---|---------------------|---------------------|----------------------|--------------------|-------------------|------------------|
| Key Questions  | Sub questions   | Sources and Methods |                     |                      |                    |                   |                  |
|  |   | ADB Consultation    | ADF or IED document | Country Consultation | Donor Consultation | Literature Review | Portfolio Review |
| 1. How relevant is ADF grant financing to inclusive and sustainable development in Asia and the Pacific, particularly in FCAS and SIDS?      | 1. How relevant is the vision for ADF given the changing context in Asia and the Pacific region?  | √                   | √                   |                      | √                  | √                 |                  |
|  | 2. How relevant is the ADF program in group A and B countries?  | √                   | √                   | √                    | √                  | √                 | √                |
|  | 3. How well has ADB determined what are the appropriate and relevant areas, sectors and themes to be addressed by the ADF grant resources invested (and COL)?   | √                   | √                   | √                    | √                  |                   | √                |
|  | 4. To what extent is the ADF program internally coherent in that it addressed the synergies and interlinkages between ADF grants and concessional loans?  | √                   | √                   | √                    |                    |                   | √                |
|  | 5. To what extent is the ADF program consistent with the relevant international norms and standards to which ADB adheres e.g., Sustainable Development Goals (SDGs) and other global commitments?   | √                   | √                   |                      | √                  | √                 | √                |
|  | 6. How have ADF grant replenishments from donors evolved over time?   | √                   | √                   |                      | √                  | √                 |                  |
|  | 7. How did ADB position itself and the work in partnership with other development partners in ADF countries (i.e., multilateral development banks, international financial institutions, bilateral partners, civil society organizations, and private sector at the country level)? | √                   | √                   | √                    | √                  |                   |                  |
|  | 8. Is the ADF program externally coherent and harmonized with other development partners' programs in the same countries?   | √                   | √                   | √                    | √                  | √                 | √                |
|  | 9. How well has ADB coordinated with other development partners in the ADF countries?   | √                   |                     | √                    | √                  |                   |                  |
|  | 10. How does the ADF program add value considering other development partners' programs and is there a leveraging or mobilizing effect?   | √                   |                     | √                    | √                  |                   |                  |
|  | 11. How well have ADF operations leveraged co-financing in ADF countries?   | √                   | √                   | √                    | √                  |                   | √                |

| Main Evaluation Question:<br>How well are ADF grant resources used by ADB to achieve Strategy 2030 objectives and what results are emerging? |  |                     |                     |                      |                    |                   |                  |
|--|--|---------------------|---------------------|----------------------|--------------------|-------------------|------------------|
| Key Questions  | Sub questions  | Sources and Methods |                     |                      |                    |                   |                  |
|  |  | ADB Consultation    | ADF or IED document | Country Consultation | Donor Consultation | Literature Review | Portfolio Review |
| 2. How effective is the resource allocation framework for ADF grant resources in responding to the region's development needs?               | 1. What are the trends in ODA for group A and B countries by types of donors and are ADF grant resources complementing other grant resources provided and affecting the lending by others?   | √                   |                     | √                    | √                  | √                 | √                |
|  | 2. How appropriate are the ADF resource allocation frameworks including country and thematic components, particularly ADF 13's economic vulnerability premium (EVP) for small island developing states (SIDS)?   | √                   | √                   | √                    | √                  | √                 |                  |
|  | 3. How well does the allocation framework address risk of debt distress and debt sustainability of vulnerable DMCs?  | √                   | √                   | √                    | √                  |                   | √                |
|  | 4. How appropriate is the distribution of TASF 6 and 7 (particularly for capacity building) across countries and priorities?   | √                   | √                   | √                    |                    |                   | √                |
|  | 5. How well is the ADF allocation framework geared towards FCAS and SIDS, considering uncertain economic outlooks and absorption capacity issues?  | √                   | √                   | √                    | √                  |                   | √                |
|  | 6. How appropriate is the novel financing arrangement in the context of ADF?   | √                   | √                   | √                    | √                  |                   |                  |
|  | 7. How appropriate is the use of PBL (including CSF) in FCAS and SIDS?   | √                   | √                   | √                    | √                  | √                 | √                |
|  | 8. How appropriate and transparent is the thematic classification system used when assigning thematic pool grants to project proposals (e.g., for gender, climate change)?   | √                   | √                   |                      |                    |                   | √                |
|  | 9. Can it be determined that for certain ADB priority areas, such as RPGs, private sector development, gender development, disaster risk reduction, and climate change mitigation/adaptation, governments may under invest?                              |                     |                     | √                    | √                  | √                 |                  |
| 3. To what extent are ADF grant-funded operations delivering results as intended?  | 1. What are the trends in the success rate and effectiveness of ADF operations (investment projects, PBL, and TASF) in the group A and B countries, with particular interest in the FCAS and SIDS, and what have been reasons for lack of effectiveness? | √                   | √                   | √                    | √                  | √                 | √                |
|  | 2. What are the likely results of ongoing ADF operations (investment projects, PBL in group A countries), and ongoing TASF operations in group A and B   | √                   | √                   | √                    | √                  |                   | √                |



| Main Evaluation Question:<br>How well are ADF grant resources used by ADB to achieve Strategy 2030 objectives and what results are emerging? |  |                     |                     |                      |                    |                   |                  |
|--|--|---------------------|---------------------|----------------------|--------------------|-------------------|------------------|
| Key Questions  | Sub questions  | Sources and Methods |                     |                      |                    |                   |                  |
|  |  | ADB Consultation    | ADF or IED document | Country Consultation | Donor Consultation | Literature Review | Portfolio Review |
|  | countries, particularly in FCAS and SIDS and case countries?   |                     |                     |                      |                    |                   |                  |
|  | 3. What are the likely results of special categories of projects, approved with funds from set asides and thematic pool, or pilot PSW?   | √                   | √                   | √                    | √                  |                   | √                |
|  | 4. What effects have ADF-funded COVID-19 related investments had in the group A countries?   | √                   | √                   | √                    |                    |                   | √                |
|  | 5. What progress has been made in terms of implementation of the FCAS and SIDS Approach?   | √                   | √                   | √                    |                    |                   | √                |
|  | 6. To what extent is ADB able to measure the results of ADF grant financing in FCAS and SIDS? Are ADF grant resources reducing debt burdens of vulnerable countries and reducing risk of debt distress overall?                | √                   | √                   | √                    |                    |                   |                  |
|  | 7. What are the special or differentiated arrangements made for monitoring and evaluation of grant projects in ADF countries, particularly the FCAS and SIDS; and what can be improved?  | √                   | √                   | √                    |                    |                   |                  |
| 4. To what extent are humanitarian and emergency assistance projects efficiently managed and delivering results?                             | 1. How is the Disaster and Pandemic Response Facility being utilized and is it efficient and effective?  | √                   | √                   | √                    | √                  |                   |                  |
|  | 2. What are emerging results of the humanitarian assistance provided to Afghan people as funded by ADF through selected UN agencies? (Afghanistan: Sustaining Essential Services Delivery Project [Support for Afghan People]) | √                   | √                   |                      | √                  |                   |                  |
|  | 3. What are emerging results of the emergency assistance grants and concessional loan provided to Bangladesh for Cox's Bazar?  | √                   | √                   | √                    | √                  |                   |                  |
|  | 4. How efficient is ADB humanitarian and emergency assistance?   | √                   | √                   | √                    | √                  | √                 |                  |

ADB = Asian Development Bank, ADF = Asian Development Fund, COVID-19 = coronavirus disease, COL = concessional OCR lending, CSF = countercyclical support facility, DMC = developing member country, DRF = Disaster Response Facility, FCAS = fragile and conflict affected situations, LMIC = lower middle-income countries, M&E = monitoring and evaluation, OCR = ordinary capital resources, ODA = official development assistance, PBA = performance-based allocation, PBL = policy-based lending, PPP = public-private partnership, PSD = private sector development, PSW = private sector window, RCI = regional cooperation and integration, RPG = regional public goods, SIDS = small island developing states, TASF = Technical Assistance Special Fund, UN = United Nations.

Source: Independent Evaluation Department.

## COUNTRY MISSION SELECTION

1. Country missions will be undertaken for: Bangladesh, Kyrgyz Republic, Republic of Marshall Islands (RMI), Solomon Islands, Tajikistan, and Tonga. Mission countries have been selected for the following traits.

**Table A5.1: ADF 12 and 13 Country Mission Selection Criteria**

| <b>Developing Member Country and Mission Type</b> | <b>Region: Central West Asia</b> | <b>Region: South Asia</b> | <b>Region: Pacific</b> | <b>FCAS</b> | <b>SIDS</b> | <b>Group A: ADF Only</b><br>(100% ADF grants)<br>high risk of debt distress | <b>Group A: ADF Blend</b><br>(50% ADF grants)<br>moderate risk of debt distress | <b>Group B:</b><br>(grants from the regional set-aside and thematic pool) | <b>Sectors Supported by ADB</b>        | <b>Modalities and Instruments used</b> |
|---|----------------------------------|---------------------------|------------------------|-------------|-------------|---|---|---|--|--|
| Bangladesh (virtual)                              |                                  | x                         |                        |             |             |   |   | x   | ANR, EDU, ENE, FIN, HLT, PSM, TRA, WUS | IP, MFF, PBO, PRF, RBL, TA             |
| Kyrgyz Republic (in-person)                       | x                                |                           |                        |             |             |   | x   |   | ANR, EDU, ENE, FIN, HLT, PSM, TRA, WUS | IP, PBO, PRF, RBL                      |
| Marshall Islands (virtual)                        |                                  |                           | x                      | x           | x           | x   |   |   | EDU, ENE, HLT, PSM, WUS                | IP, PBO                                |
| Solomon Islands (in-person)                       |                                  |                           | x                      | x           | x           |   | x   |   | ENE, HLT, PSM, TRA, WUS                | IP, PBO, TA                            |
| Tajikistan (in-person)                            | x                                |                           |                        |             |             | x   |   |   | ANR, EDU, ENE, FIN, HLT, PSM, TRA, WUS | IP, PBO                                |
| Tonga (in-person)                                 |                                  |                           | x                      |             | x           | x   |   |   | ENE, HLT, PSM, TRA, WUS                | IP, PBO                                |

ADF = Asian Development Fund, ANR = agriculture natural resources and rural development, EDU = education, ENE = energy, HLT = health, ICT = information and communication technology, IP = investment project, FCAS = fragile and conflict-affected situations, FIN = finance, PBO = policy-based operations (loans and grants), PRF = project readiness financing, PSM = public sector management, RBL = results-based lending, SIDS = small island developing states, TA = technical assistance, TRA = transport, WUS = water and other urban infrastructure and management.

Source: Independent Evaluation Department.

## EVALUATION COMMUNICATIONS PLAN

| <b>Evaluation Context and Objectives:</b> The purpose of the evaluation is to examine the performance of Asian Development Fund (ADF) 12 and 13 grants; and inform negotiations for ADF 14. The evaluation will focus on the use, allocation, and performance of grants in developing member countries. It will draw from the ADF 13 midterm review (self-evaluation) and validate and update its findings on the thematic pool, Disaster Response Facility, Private Sector Window, and support for Afghanistan. The evaluation will focus on the use of ADB's concessional assistance for ADF countries, particularly in fragile and conflict affected situations (FCAS) and small island developing states (SIDS), the performance-based allocation (PBA) framework, the economic vulnerability premium (EVP) for SIDS, and the novel financing arrangement in Afghanistan. Lastly, given the introduction and prominence of ADF in the FCAS and SIDS Approach (FSA), the evaluation will assess the initial progress made since its adoption in 2021, and pay attention to the monitoring and evaluation systems to confirm that they provide timely evidence on ADF results. |   |  |                                      |                                  |   |
|--|---|--|--------------------------------------|----------------------------------|---|
| <b>Communications Goal:</b> To disseminate the findings of the evaluation to internal and external stakeholders.   |   |  |                                      |                                  |   |
| Audience   | Messages  | Activity & Tools                               | Timeline                             | Comms Resources                  | Expected Outcomes   |
| Internal   |   |  |                                      |                                  |   |
| Board, Management and Staff  | <ul style="list-style-type: none"><li>How well are ADF resources used by ADB to achieve Strategy 2030 objectives and what results are emerging?</li><li>How relevant is ADF grant financing to inclusive and sustainable development in Asia and the Pacific, particularly in FCAS and SIDS?</li><li>How effective is the PBA framework in responding to the region's development needs?</li><li>To what extent are ADF grant-funded operations delivering results as intended?</li><li>To what extent are humanitarian and emergency assistance projects efficiently managed and delivering results?</li></ul> | • Evaluation Report                            | • October 23                         | • 8 Hours: 1 consultant 2 staff  | <ul style="list-style-type: none"><li>Board is informed about ADF overall performance</li><li>Recommendations in future decision-making inform donor replenishment decisions for ADF 14</li><li>Transparency</li><li>Awareness</li><li>Learn from evaluation lessons</li><li>Incorporate recommendations in developing, planning, and implementing future ADF programs and projects</li></ul> |
|  |   | • DEC Video Presentation                       | • October 23                         | • 8 Hours: 1 consultant 1 staff  |   |
|  |   | • What Works (HQ)                              | • Within 30 days of DEC presentation | • 40 Hours: 1 Consultant 2 Staff |   |
| External   |   |  |                                      |                                  |   |
| ADB Member Countries   | <ul style="list-style-type: none"><li>How well are ADF resources used by ADB to achieve Strategy 2030</li></ul>   | • Presentation at ADF 14 Replenishment Meeting | • Nov 23                             | • 8 Hours: 1 consultant 2 staff  | <ul style="list-style-type: none"><li>Inform donor replenishment decisions for ADF 14</li></ul>   |

|   |   |  |  |  |
|---|---|--|--|--|
| <ul style="list-style-type: none"> <li>objectives and what results are emerging?</li> <li>How relevant is ADF grant financing to inclusive and sustainable development in Asia and the Pacific, particularly in FCAS and SIDS?</li> <li>How effective is the PBA framework in responding to the region's development needs?</li> <li>To what extent are ADF grant-funded operations delivering results as intended?</li> <li>To what extent are humanitarian and emergency assistance projects efficiently managed and delivering results?</li> </ul> | <ul style="list-style-type: none"> <li>Web posting</li> </ul>                         | <ul style="list-style-type: none"> <li>October 23</li> </ul>   | <ul style="list-style-type: none"> <li>8 Hours: 1 consultant 2 staff</li> </ul>            | <ul style="list-style-type: none"> <li>Learn from evaluation lessons</li> <li>Incorporate recommendations in developing, planning, and implementing future ADF programs and projects</li> <li>Transparency</li> <li>Awareness</li> </ul> |
|   | <ul style="list-style-type: none"> <li>News Release</li> </ul>                        | <ul style="list-style-type: none"> <li>48 hours after DEC presentation</li> </ul>  | <ul style="list-style-type: none"> <li>16 hours: 1 consultant, 2 staff from CO)</li> </ul> |  |
|   | <ul style="list-style-type: none"> <li>Evaluation in Brief (Digital flyer)</li> </ul> | <ul style="list-style-type: none"> <li>Within 30 days of DEC presentation</li> </ul>   | <ul style="list-style-type: none"> <li>8 Hours: 1 consultant 2 staff</li> </ul>            |  |
|   | <ul style="list-style-type: none"> <li>Video with human interest angle</li> </ul>     | <ul style="list-style-type: none"> <li>Within 30 days of DEC presentation</li> </ul>   | <ul style="list-style-type: none"> <li>40 Hours: 1 consultant 2 staff</li> </ul>           |  |
|   | <ul style="list-style-type: none"> <li>Blog/articles</li> </ul>                       | <ul style="list-style-type: none"> <li>Within 30 days of DEC presentation or aligned to relevant international event (such as conferences on climate change or FCAS</li> </ul> | <ul style="list-style-type: none"> <li>16 hours: (1 consultant and 2 staff</li> </ul>      |  |
|   | <ul style="list-style-type: none"> <li>What Works (in-country)</li> </ul>             | <ul style="list-style-type: none"> <li>Within 60 days of DEC presentation</li> </ul>   | <ul style="list-style-type: none"> <li>40 Hours: 1 consultant 2 staff</li> </ul>           |  |
|   | <ul style="list-style-type: none"> <li>Country Engagement Mission</li> </ul>          | <ul style="list-style-type: none"> <li>Within 90 days of DEC presentation</li> </ul>   | <ul style="list-style-type: none"> <li>40 Hours: 1 consultant 2 staff</li> </ul>           |  |

**Audiences/Stakeholders:** Describes the stakeholders who are the main audiences for the evaluation and communications strategy. Stakeholder groups usually need to be identified and segmented by categories such as demographic group, interest relative to the project, and their relative support or opposition to both the evaluation objective and communications objectives.

**Messages/Information:** Details on what messages and information are useful for stakeholders.

**Activity & Tools:** Describes the activities needed to ensure the right message and information reaches the right audiences. This section also specifies the tools these activities will use. The choice of activity and tool should consider the audiences' information delivery preferences.

**Resources:** Describes human and financial resources required. How many staff and consultants are required and how many hours of work needed.

**Timeline:** Describes the period by which the task is to be accomplished.

**Expected Outcomes:** Identifies the outcomes related to the actions taken and the communications activities.