

VIII. APPENDIXES

APPENDIX 1: THE BANK'S PROGRAM FOR ACTION

The Asian Development Bank operates under a policy requiring that special consideration be given to human development and cross-cutting social issues in program and project activities. Child development and the promotion of the interests of young people, although relatively new issues for the Bank, are integral parts of these more general concerns. This section provides a background discussion of (i) the Bank's Social Dimensions Strategy, (ii) the Bank's ongoing programs in Central Asia, and (iii) how the Bank's activities and those of other international funding agencies in Central Asia can relate to children's needs.

1. The Bank's Social Dimensions Strategy

The Bank's development objectives focus on a balanced approach for improving the living standards of people within its developing member countries (DMCs). The Bank's Medium-Term Strategic Framework outlines the following specific development objectives: (i) promoting economic growth, (ii) reducing poverty, (iii) improving the status of women, (iv) strengthening human resource development, and (v) promoting sound management of natural resources and the environment.

These strategic objectives have led to the integration of social dimensions into all Bank operations. The concept of vulnerable groups (in some cases, children) whose condition may be worsened as the result of a policy change, has also been introduced in the Bank's strategic approach. In this fashion, in providing assistance to DMCs in policy reform activities, specially-designed social safety nets must sometimes be constructed and compensation mechanisms put in place to mitigate any damage to the welfare of vulnerable groups such as children.

The specific attention drawn to women in the Bank's Strategic Objectives also points towards a child-sensitive approach. This is especially true in the case of Central Asia, where those developments that more negatively affect women are often those that have worsened the condition of children. The reduction or elimination of social services, for example, have strong negative impacts on women and children and they are the primary beneficiaries of the social safety net. The burden of managing an impoverished household is often carried by women, especially in economies where men must leave the household to find work. In these cases (and others), women are pivotal for the survival of the household since responsible decision making is essential.

More generally the Bank's concern for women and gender issues in development, since 1985, has strengthened the conditions for women and their role in society. The Bank's gender policy focuses attention especially on the social infrastructure sector, including health and population, education and training, water supply and low-income housing; areas that affect children as much as they pertain to women. In addition, the policy emphasizes agriculture, small-scale industries, and rural development sectors that create income generating and employment opportunities for women.

The Bank views gender development as an integral, cross-cutting element of development strategy. Experience has borne out that returns from investment in women and the poor are often comparable to and may exceed returns from investments in infrastructure, energy, industry, and agriculture. Human resources development yields high returns because a well-trained, highly-skilled labor force is an essential asset to any country that seeks sustainable economic growth.

2. Investing in Children: The Bank's Program Strategy for Central Asia

In the Central Asian Republics the Bank's activities are implemented amid very difficult economic circumstances. In 1996, the Bank formulated its country operation strategies (COSs) for Kazakhstan and the Kyrgyz Republic. The COSs analyze the social costs and economic results of transition and identify a focused set of activities in selected strategic sectors. Specifically, in accordance with the development needs of Kazakhstan and Kyrgyzstan, the Bank's activities aim at (i) supporting the Governments' reform agendas and encouraging

institutional change particularly to strengthen social services provision; (ii) maintaining the rapidly deteriorating long-term potential by investing in physical infrastructure and human resource development; and (iii) encouraging new production capacity through private sector investment. In Kazakhstan, recognizing the presence of serious environmental problems, the Bank's COS calls for rehabilitating the environmental resource base of the country.

Flowing from these developmental objectives, the Bank's sectoral priorities in its cooperation with the Central Asian Republics are: (a) improving public services provision, (b) developing human resources through education and training, (c) advancing agriculture, and (d) strengthening infrastructure, especially transport and energy. Recognizing the distinct needs of the Kazakhstan economy, the Bank is additionally committed to assisting industry, especially medium-sized enterprises. The emphasis in the COSs on public investment in infrastructure and human resource development in transition economies accords with modern growth theory and reflects the reality of the needs in Central Asia.

The Bank's country operational strategies for the two Central Asian Republics highlight the dangers of rapidly worsening living conditions for children and young people and the implications for the nations. The Bank's strategies for Kazakhstan and the Kyrgyz Republic call for developing child-sensitive mechanisms by: (i) identifying vulnerable groups and better targeting social assistance, (ii) rationalizing social services delivery particularly through reforms in education, and (iii) tackling severe environmental problems.

3. Framework for Child-sensitive ADB Cooperation

The Bank's strategies for operations in Central Asia clearly call for child-sensitive operations. To further develop a program of assistance, operational guidelines are needed. The approach detailed here follows that taken by the United Nations Convention on Children's Rights. The Convention asks governments and donors to actively promote and defend children's interests especially where the young generation is in danger of losing ground. Minimum requirements of planning for children under this approach are that (i) projects should not worsen the status of children or young people, (ii) where possible, children's situations should be improved, and (iii) government bodies and private initiatives should be supported in identifying the strategic

needs of the younger generation. These broad guidelines can be used to fashion sectoral elements of a child-sensitive program of assistance for the Central Asian Republics. Project design must then also include the cross-cutting concerns of: (i) developing more efficient and better targeted service provisions, and (ii) encouraging a public-private partnership.

Issues of child development arise in all sectors in the Bank's cooperation with Central Asia. Particularly education, social protection, and social services are investment sectors where the Bank can provide meaningful child support. The Bank, focusing on comprehensive education issues in Central Asia has found a niche role to promote child development in Central Asia. Indirectly, the Bank can support child development by providing for school transport, heating for public facilities, and improving the environmental conditions that contribute to health problems. The programs in these sectors are expected to be developed in accordance with the discussion in this book detailing the social costs borne by this generation of children.