

SUMMARY STATEMENT OF STRATEGY

Objectives	Good Governance	Social Development	Pro-poor Economic Growth
Strategic Focus	<p>Prudent fiscal discipline</p> <p>Effective and transparent management of public sector enterprises</p> <p>Realistic budget planning and submission</p>	<p>Wellbeing for outer island inhabitants enhanced</p> <p>Socially just distribution formula for the proceeds of FTF</p> <p>Maintain seafarer remittances</p>	<p>Increase employment and income opportunities through labor exports</p>
Ongoing/Proposed Loans			<p>Upgrade of Tuvalu Maritime Training Institute (2002)</p>
Ongoing/Proposed TAs	<p>TA 3735-TUV: Country Economic Study and Strategy Development (2002)</p> <p>Governance of Public Sector Enterprises (2003)</p> <p>Future Electricity Supply for Funafuti (2004)</p>	<p>TA 3221-TUV: Island Development Program Implementation (1999)</p>	<p>Tuvalu Maritime Training Institute Strengthening (2002)</p>
Target Outcomes	<p>Strengthened economic and fiscal management through responsible preparation of budgets, reflecting the recommended core budget expenditure ceiling</p>	<p>Devolution of power and establishment of sustainable sources of financing for local development and basic services delivery to the outer islands</p>	<p>Opportunities for overseas employment to ensure continuous equitable flow of remittances back to Tuvalu</p>

COUNTRY AND PORTFOLIO INDICATORS, AND ASSISTANCE PIPELINE

Table A2.1: Progress Toward the Millennium Development Goals and Targets

Goals and Targets	1990	1995	Latest Year
Goal 1. Eradicate Extreme Poverty and Hunger			
Target 1: Reduce incidence of extreme poverty by half from 1990 to 2015			
People living on below US\$1-a-day, 1985 PPP (%)	—	—	—
Population in poverty (% of population falling below the poverty line)	—	—	—
Target 2: Reduce the proportion of people who suffer from hunger by half from 1990 to 2015			
Prevalence of child malnutrition (% of children under age 5)	—	—	0.0 (1997)
Goal 2. Achieve Universal Primary Education			
Target 3: Attain 100 percent primary school enrolment by 2015			
Net primary enrollment ratio (% of relevant age group)	98.0 (1984-94)	100.0 (1994)	100.0 (1998)
Goal 3. Promote Gender Equality and Empower Women			
Target 4: Eliminate gender disparities in primary and secondary education by 2005 and to all levels of education no later than 2015			
Ratio of girls to boys in primary education (%)	0.90 (1991)	0.82	0.90 (2001)
Ratio of girls to boys in secondary education (%)	1.17 (1991)	1.03	0.93 (2001)
Goal 4. Reduce Child Mortality			
Target 5: Reduce infant and child mortality by two-thirds from 1990 to 2015			
Infant mortality rate (per '000 live births)	37.2 (1991)	49.8	13.1 (2000)
Under-5 mortality rate (per '000 live births)	59.0	56.0	53.0 (2000)
Goal 5. Improve Maternal Health			
Target 6: Reduce maternal mortality rate by three-quarters between 1990 and 2015			
Maternal mortality ratio (per 100,000 live births)	0.0	0.0 (1997)	0.0 (2000)
Births attended by skilled health staff (% of live births)	—	99.0 (1997)	—

Goals and Targets	1990	1995	Latest Year
Goal 6. Combat HIV/AIDS, Malaria and Other Diseases			
Target 7: Have halted by 2015, and begun to reverse, the spread of HIV/AIDS			
HIV prevalence rate (% age 15-49 years old)	—	—	—
Contraceptive prevalence rate (% of women aged 15-49)	—	41.2 (1997)	—
Target 8: Have halted by 2015, and begun to reverse, the incidence of malaria and other major diseases			
Prevalence of malaria (per 100,000 people)	—	—	—
Prevalence of tuberculosis (per 100,000 people)	—	—	179.1 (1998)
Goal 7. Ensure Environmental Sustainability			
Target 9: Integrate the principles of sustainable development into country policies and programs and reverse the loss of environmental resources			
Status of national environmental action plans	NEMS (long-term) adopted and endorsed		
Forest Area (% of total land area)	—	0.0 (1993)	—
Nationally Protected Areas (% of total land area)	1.0	1.0	1.0 (1998)
GDP per unit of energy use (PPP \$ per kg oil equivalent)	—	—	—
Carbon dioxide emissions (per capita metric tons)	—	—	—
Target 10: Halve, by 2015, the proportion of people without sustainable access to safe drinking water			
Access to safe water (% of population)	—	85.0 (1995-97) ^a	100.0 (1998)
Target 11: By 2010, to have achieved a significant improvement in the lives of at least 100 million slum dwellers			
Access to sanitation (% of population)	—	49.0 (1995-97) ^a	78.9 (1999) (total) 92.0 (urban) 65.2 (rural)

HIV/AIDS = human immunodeficiency virus/acquired immune deficiency syndrome, NEMS – National Environmental Management Strategy, PPP = purchasing power parity.

^a Refers to most recent available data within the stated period.

Note: — means no data available.

Sources: ADB. 2002. Tuvalu. Economic and Public Sector Review. Manila; ADB. 2002. Basic Statistics of DMCs including MDGs. Manila; ADB. 2001. Medium-Term Strategy. Manila; CIA. 2001. The World Factbook-Tuvalu; Tuvalu. Environment Office, Ministry of Natural Resources. Ministry of Education and Culture, Enrollment in Primary Education (1994, 1998); Tuvalu. Ministry of Finance and Economic Planning, Tuvalu National Budget 2002; SPREP. Action Strategy for Nature Conservation in the Pacific Islands Region (1999-2002); SPREP. Tuvalu NEMS (1997); UNDP, Pacific Human Development Report (1994, 1999); UNICEF, Progress of Nations-Social Indicators (1997); WHO, Western Pacific Region Health Data Bank (rev. 2001).

Table A2.2: Economic Indicators

Item	Fiscal Year				
	1997	1998	1999	2000	2001
A. Income and Growth					
1. GDP per Capita (US\$, current)	1,318	1,320	1,389	1,343	1,250
2. GDP Growth (% , in constant prices)	3.5	14.9	3.0	3.0	4.0
Agriculture	5.8	0.7	-	-	-
Industry	4.0	21.5	-	-	-
Services	2.7	16.0	-	-	-
B. Saving and Investment (current and market prices) (% of GDP)					
1. Gross Domestic Investment	58.2	24.9	--	--	--
2. Gross National Saving	-	-	-	-	-
C. Money and Inflation (annual % change)					
1. Consumer Price Index ^a	1.4	0.9	3.8	5.3	1.8 ^b
2. Total Liquidity (M2)	-	-	-	-	-
D. Government Finance (% of GDP)					
1. Revenue and Grants	156.1	154.4	148.7	239.6	140.8
2. Expenditure and Onlending	121.9	95.9	126.2	189.7	133.2
3. Overall Fiscal Surplus (Deficit)	34.2	58.6	22.5	49.9	7.6
E. Balance of Payments					
1. Merchandise Trade Balance (% of GDP)	-46.6	-75.8	-57.5	-55.8	-
2. Current Account Balance (% of GDP)	-	-	-	-	-
3. Merchandise Export (US\$) Growth (annual % change)	-2.0	-142.2	639.6	1,046.6	-
4. Merchandise Import (US\$) Growth (annual % change)	28.8	35.3	-26.5	6.0	-
F. External Payments Indicators					
1. Gross Official Reserves (including gold, US\$ million in weeks of current year's imports of goods)	-	-	-	-	-
2. External Debt Service (% of exports of goods and services)	-	-	-	-	-
3. Total External Debt (% of GDP)	-	-	-	-	-
G. Memorandum Items					
1. GDP (current prices, A\$ million)	17.44	20.77	21.61	23.43	24.81
2. Exchange Rate (A\$/\$, average)	1.356	1.591	1.553	1.720	1.931
3. Population (million)	0.0098	0.0099	0.0100	0.0101	0.0103

GDP = gross domestic product

a Annual % change.

b Estimated inflation for the year to 30 September 2002 Source: TTFAC first half-yearly report, April 2002; period average.

Source: Tuvalu. Ministry of Finance and Economic Planning. National Accounts 2001; Tuvalu. 2001. Quarterly Statistic Report, Central Statistics Division, Ministry of Finance and Economic Planning; Tuvalu. 2002. National Budget, Ministry of Finance and Economic Planning; ADB. 2002. Forthcoming Tuvalu 2002, Economic and Public Sector Review. Manila; ADB. Forthcoming Asian Development Outlook. Manila.

Table A2.3: Poverty and Social Indicators

Item	Period		
	1991	1995	Latest Year
A. Population Indicators			
1. Total Population (million)	9.04	9.51	10.28 ^a (2001)
2. Annual Population Growth Rate (% change)	-0.02	1.3	2.0
B. Social Indicators			
1. Total Fertility Rate (births/woman)	3.4	3.3	2.9 (2000)
2. Maternal Mortality Rate (per 100,000 live births)	0.0	0.0	0.0 (2000)
3. Infant Mortality Rate (below 1 year/1,000 live births)	37.2	49.8	13.1 (2000)
4. Life Expectancy at Birth (years)	67.0	-	67.0 (1998)
Female	64.1	-	64.0 (1998)
Male	70.0	-	70.0 (1998)
5. Adult Literacy (%)	-	99.0 (1994)	95.0 (1998)
Female	-	99.0 (1994)	95.0 (1998)
Male	-	99.0 (1994)	95.0 (1998)
6. Primary School Gross Enrollment (%)	-	100.0	100.0 (1998)
7. Secondary School Gross Enrollment (%)	-	-	34.0 (1998)
8. Child Malnutrition (% below age 5)	-	-	-
9. Population Below Poverty Line (International, %)	-	-	-
10. Population with Access to Safe Water (%)	-	85.0 (1995-97) ^b	100.0 (1998)
11. Population with Access to Sanitation (%)	-	49.0 (1995-97) ^b	78.9 (1999)
12. Public Education Expenditure (% of GDP)	-	19.5 (1996)	25.8 (2001)
13. Human Development Index	-	0.652	0.583 (1998)
Rank	-	3	6
14. Gender-Related Development Index	-	-	-
Rank	-	-	-
C. Poverty Indicators			
1. Poverty Incidence	-	-	-
2. Percent of Poor to Total Population	-	-	-
3. Poverty Gap	-	-	-
4. Poverty Severity Index	-	-	-
5. Inequality (Theil L Index)	-	-	-
6. Human Poverty Index	-	-	7.3 (1998)
Rank	-	-	3

- = not available; GDP = gross domestic product.

^a This estimate is made on the assumption that the population growth rate averaged 1.3% between 1991 and 2001. The figure arrived at is close to the Central Statistics Division estimate of 10,223 in June 2001, which is based on an examination of crude birth and death rates and overseas arrivals and departures.

^b Refers to most recent available data within the stated period.

Sources: ADB. 2002. Forthcoming Tuvalu 2002 Economic and Public Sector Review. Manila; Tuvalu. Central Statistics Division, Ministry of Finance and Economic Planning, Population and Housing Census; Tuvalu. Ministry of Education and Sports; Enrollment in Primary Education (1994, 1998); Tuvalu. Ministry of Finance and Economic Planning. Tuvalu National Budget 2002; Secretariat of the Pacific Community. Oceanic Population 2000; UNDP. Pacific Human Development Report (1994, 1997, 1999); WHO. Western Pacific Region Health Data Bank (rev. 2001).

Table A2.4: Environment Indicators

Item	1990	Latest Year
1. Energy Efficiency of Emissions		
Traditional Fuel Use (% of total energy use)	—	—
2. Water Pollution		
Water Bodies Exceeding Contact Recreation Standards		
Biological Oxygen Demand (BOD)	—	—
Chemical Oxygen Demand (COD)	—	—
3. Air Pollution		
Carbon Dioxide (CO ₂) Emissions		
Total (millions of metric tons)	—	—
Sulphur Dioxide (SO ₂) Emissions		
Per capita (kilograms)	—	—
4. Land Use and Deforestation		
Total Land Area (sq. km)	25.9	25.9
Average Annual Deforestation		
Area	—	—
% change	—	—
Arable Land (% of total land)	0.0	
	(1993)	
Cropland, Permanent (% of total land)	0.0	
	(1993)	
Pastures, Permanent (% of total land)	0.0	
	(1993)	
Population Density, Rural (people per sq. km)	—	—
5. Biodiversity and Protected Areas		
Nationally Protected Area(s)		
Area (sq. km)	8.0	8.0 (1998)
Number	1	1 (1998)
World Heritage Sites (number)	0	0
Mammal Species		
Total Known	—	—
Threatened	—	—
Bird Species		
Total Known	28	—
Threatened	—	—
6. Urban Areas		
Urban Population		
% of total population	42.0	—
	(1991)	

Note: (—) means no data available.

Source: CIA. The World Factbook-Tuvalu (2001); Tuvalu. Environment Office, Ministry of Natural Resources; SOPAC. Tuvalu Country Profile (1999); SPC. 1997. Pacific Island Populations Data Sheet; SPREP. Action Strategy for Nature Conservation in the Pacific Islands Region (1999-2002).

Table A2.5: Development Coordination Matrix

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
A. Economic and Public Sector Reform	<p>Ongoing</p> <ul style="list-style-type: none"> • Prepare Economic and Public Sector Review <p>Programmed</p> <ul style="list-style-type: none"> • TA for governance of state-owned enterprises 	<ul style="list-style-type: none"> • Strengthening Local Governance (UNDP) • TA Public Sector Reform (AusAID) • Assets Management project (AusAID) • Legal assistance/crown counsel (CFTC)
B. Private Sector Development		<ul style="list-style-type: none"> • Copra production Subsidy (EU) • Coconut Oil Support programme (EU) • Business Advisory Unit Support (UNDP)
C. Education	<p>Programmed</p> <ul style="list-style-type: none"> • TA for Strengthening of Tuvalu Maritime Training Institute (TMTI) to meet the International Maritime Organization standards for accreditation • Loan for upgrade and construction of various infrastructure at TMTI to enable acceptable training standards 	<ul style="list-style-type: none"> • Inservice scholarships and traing (EU) • Pre-service scholarships and training (EU) • Subsidy for Tuvalu Maritime Training Institute (EU) • TMTI Scholarships (EU) • Pacific In-country training (AusAID) • Overseas scholarships (AusAID) • Secondary School Teachers (AusAID) • TA Education curriculum, teacher training (AusAID) • Education Sector Planning (NZAID) • Pre-school project (NZAID) • Vocational and Technical training (NZAID) • Short term Training (NZAID) • Scholarships (NZAID) • Scholarships in Region (Tertiary) (NZAID) • TMTI Salary Supplement (NZAID) • Overseas scholarships (Taipei, China)
D. Health		<ul style="list-style-type: none"> • Surgeon (EU) • Support for family planning issues (UNFPA) • WHO Support (WHO) • Medical Treatment Scheme/Health care (NZAID)

<p>E. Infrastructure</p> <p>1. Transport and Communication</p> <p>2. Energy</p> <p>3. Water Supply and Sanitation</p> <p>4. Urban Infrastructure</p>	<p>Programmed</p> <ul style="list-style-type: none"> • TA future power generation for Funafuti 	<ul style="list-style-type: none"> • Relocation of airport terminal/civil aviation facility (EU) • Tuvalu Solar electricity (EU) • Desalinators, water tanks, water trucks, (EU) • Water supply at Moutoufoa Secondary School (EU) • Local contribution to AusAID waste fund management (EU) • Waste management project (AusAID) • Wharf warehouse and foreshore protection (EU) • Cargo Handling Equipment (EU) • Construction of new parliament (EU) • New housing and Renovations (EU) • House maintenance (EU) • Teacher Housing at Motoufoa (EU) • Construction of new 2-storey headquarters (EU) • Budge Support (Taipei,China) • Construction government building (Taipei,China) • Hospital construction (Japan)
<p>F. Environment</p>		<ul style="list-style-type: none"> • Pacific Islands Climate Change Programme, Implementation of Montreal protocol (UNEP)
<p>G. Others</p> <p>Social Development</p> <p>Falekaupule Trust Fund (FTF)</p>	<p>Ongoing</p> <ul style="list-style-type: none"> • Support to the outer island councils (Falekaupules) in formulating social development projects from FTF 	<ul style="list-style-type: none"> • Drought relief (EU) • Construction of national sports field (EU) • Small projects/Coordinator (NZAID)

ADB = Asian Development Bank, AusAID = Australian Agency for International Development, CFTC = Commonwealth Fund for Technical Cooperation, EU = European Union, NZAID = New Zealand Agency for International Development, UNDP = United Nations Programme, UNEP = United Nations Environment Programme, UNFPA = United Nations Populations Fund, WHO = World Health Organization

Table A2.6: Portfolio Indicators—Portfolio Amounts and Ratings
(public sector loans, as of 31 December 2001)

Sector	Net Loan Amount		Rating ^a													
			Total		Highly Satisfactory		Satisfactory		Partly Satisfactory		Unsatisfactory		Potential Problem ^b		At Risk ^c	
	\$ million	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	(%)
Agriculture and Natural Resources																
Energy																
Finance																
Industry and Nonfuel																
Minerals																
Multisector																
Others																
Social Infrastructure																
Transport and Communications																
Total																

NOTE: No active portfolio as of 31 December 2001. The only loan (1693-TUV[SF]):Island Development Program) was closed on 19 July 2001.

^a One rating for implementation progress and development objectives, based on the lower rating of either.

^b Potential problem loans are satisfactory loans but have four or more risk factors associated with partly satisfactory or unsatisfactory performance.

^c A loan is "at risk" if it is rated as partly satisfactory, as unsatisfactory, or as a potential problem.

Table A2.7: Portfolio Indicators—Disbursements and Net Transfers of Resources
(public sector loans, as of 31 December 2001)

Disbursements and Transfers	OCR	ADF	Total
Disbursements^a			
Total Funds Available for Withdrawal (US\$ million)	0.0	4.0	4.0
Disbursed Amount (US\$ million, cumulative)	0.0	4.0	4.0
Percentage Disbursed (disbursed amount/total available)	0.0	100.0	100.0
Disbursements (US\$ million, latest year)	0.0	1.2	1.2
Disbursement Ratio (%) ^b	0.0	95.8	95.8
Net Transfer of Resources (US\$ million)			
1999	0.0	2.8	2.8
2000	0.0	(0.02)	(0.02)
2001	0.0	1.1	1.1

ADF = Asian Development Fund, OCR = ordinary capital resources.

^a Includes all loans with disbursements during 1999-2001.

^b Ratio of disbursements during the year over the undisbursed net loan balance at the beginning of the year less cancellations during the year. Effective loans during the year have also been added to the beginning balance of undisbursed loans.

Source: Asian Development Bank estimates .

Table A2.8: Portfolio Indicators—Evaluation Rating by Sector

Sector	Highly Successful		Successful		Partly Successful		Unsuccessful		No Rating		Total	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Agriculture and Natural Resources												
Energy												
Finance												
Industry and Nonfuel Minerals												
Multisector												
Others												
Social Infrastructure												
Transport and Communications												
Total												

NOTE: No PCR available yet. The only loan (1693-TUV(SF): Island Development Program) was closed 19 July 2001.

Table A2.9: Portfolio Implementation Status
(public sector loans, as of 31 December 2001)

Sector	Loan No.	Title	Net Loan Amount		Approval Date	Effective Date	Closing Date		Progress (% complete)
			OCR (US\$ million)	ADF (US\$ million)			Original	Revised	
OTH	1693	Island Development Program		4.0	13 July 1999	19 Nov. 1999	30 Nov. 2000	19 July 2001	100
Total				4.0					

ADF = Asian Development Fund, OCR = ordinary capital resources, OTH = other.
Source: Asian Development Bank.

Sector	Loan No.	Title	Cumulative Contracts/ Commitments (US\$ million)	Cumulative Disbursements (US\$ million)	Rating		Potential Problem
					IP	DO	
OTH	1669	Island Development Program	4.0	4.0			Closed
		Total	4.0	4.0			

NOTE: Loan has been closed on 19 July 2001 and there are no active loans as of 31 December 2001.

DO = development objectives, IP = implementation progress

Table A2.10: Assistance Pipeline for Lending Products, 2002–2005

Sector Project/Program Name	Poverty Classifi- cation	Thematic Priority	Division	Year of Project Preparatory Assistance	Total	Cost (\$ million)			
						ADB		Gov't	Cofi- nancing
						OCR	ADF		
2002 Firm Loan	PI	HD	PARD	2001	\$2.3		\$1.85	\$1.85	\$0.46
2003 Firm Loans									
2003 Standby Loans									
2004 Firm Loans									
2004 Standby Loans									
2005 Firm Loans	No loan has been identified for this CSPU period.								
2005 Standby Loans									

ADB = Asian Development Bank, ADF = Asian Development Fund, HD = human development, OCR = ordinary capital resources, PI = poverty intervention.
Source: ADB Sstaff.

Table A2.11: Assistance Pipeline for Nonlending Products and Services, 2002–2005

Year/Sector Assistance Name	Responsible Division	Assistance Type	Sources of Funding				Total (US\$)
			ADB		Others		
			Source	Amount (US\$)	Source	Amount (US')	
2002							
Tuvalu Maritime Training Institute Upgrade	PARD	AOTA	JSF	291,000			291,000
2003							
Governance							
Governance of Public Sector Enterprises	PARD	AOTA	TASF	250,000			250,000
Subtotal							
2004							
Economic Growth							
Future Electricity Supply for Funafuti	PARD	AOTA	TASF	100,000	Danish Coop. Fund for renewable Energy	50,000	150,000
Total							400,000

ADB = Asian Development Bank, AOTA = advisory and operational technical assistance, PARD = Pacific Department, TASF = Technical Assistance Special Fund

Source: ADB Staff estimates.

Table A2.12: Lending Scenarios and Performance Triggers

Low Case	Base Case	High Case
<p>Macroeconomic</p> <ul style="list-style-type: none"> No progress in improvement in fiscal management on expenditure budgeting to meet the ERPD estimate for core expenditure The next NDS is planned 	<p>Macroeconomic</p> <ul style="list-style-type: none"> Progress in improvement in fiscal management on expenditure budgeting to meet the ERPD estimate for core expenditure The next NDS is planned without further delay 	<p>Macroeconomic</p> <ul style="list-style-type: none"> Acceleration of progress in improvement in fiscal management on expenditure budgeting to meet ERPD estimate for core expenditure The draft process and commencement of the next NDS is scheduled
<p>Reforms/Governance</p> <ul style="list-style-type: none"> Government is informed of the operational cost of some of SOEs 	<p>Reforms/Governance</p> <ul style="list-style-type: none"> Government is fully informed of the operational cost of TTC and TEC 	<p>Reforms/Governance</p> <ul style="list-style-type: none"> Government is fully informed of the operational cost of all SOEs
<p>Sector-Specific</p> <ul style="list-style-type: none"> The TMTI fails to maintain the IMO conditions for being on the White List 	<p>Sector-Specific</p> <ul style="list-style-type: none"> The accompanying TA for the TMTI is sufficient to meet the IMO standards 	<p>Sector-Specific</p> <ul style="list-style-type: none"> The TMTI fully meets the IMO external audit
<p>Portfolio</p> <ul style="list-style-type: none"> Government counterpart funds are being budgeted as per loan agreement At least 75% of the ongoing TAs in the portfolio are rated as satisfactory or highly satisfactory 	<p>Portfolio</p> <ul style="list-style-type: none"> Government counterpart funds are being budgeted and released as per loan agreement Less than 75% of the ongoing TAs in the portfolio are rated as satisfactory or highly satisfactory 	<p>Portfolio</p> <ul style="list-style-type: none"> Government counterpart funds are being budgeted and released as per loan agreement within the time frame More than 75% of the ongoing TAs in the portfolio are rated as satisfactory or highly satisfactory

ERPD = Economic Research and Planning Division, IMO = International Maritime Organization, NDS = National Development Strategy, SOE = State Owned Enterprises, TA = technical assistance, TEC = Tuvalu Electricity Corporation, TMTI = Tuvalu Maritime Training Institute, TTC = Tuvalu Telecommunications Corporations
Source: ADB Staff.

CONCEPT PAPERS FOR NONLENDING PRODUCTS AND SERVICES

This appendix contains the concept papers for projected nonlending products.

- (i) Table A3.1: Governance of Public Sector Enterprises
- (ii) Table A3.2: Future Electricity Supply for Funafuti

Table A3.1: Governance of Public Sector Enterprises**Date: 12 June 2002**

<p>1. Type/modality of assistance</p> <p><input type="checkbox"/> Lending</p> <p> <input type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input checked="" type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input checked="" type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>											
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Subsector:</p> <p>b. For project preparatory and lending, classification</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s)</p> <table border="0"> <tr> <td><input type="checkbox"/> Economic growth</td> <td><input type="checkbox"/> Human development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td><input checked="" type="checkbox"/> Good governance</td> </tr> <tr> <td><input type="checkbox"/> Environmental protection</td> <td><input checked="" type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input type="checkbox"/> Social protection</td> </tr> <tr> <td><input type="checkbox"/> Other:</td> <td></td> </tr> </table>		<input type="checkbox"/> Economic growth	<input type="checkbox"/> Human development	<input type="checkbox"/> Gender and development	<input checked="" type="checkbox"/> Good governance	<input type="checkbox"/> Environmental protection	<input checked="" type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection	<input type="checkbox"/> Other:	
<input type="checkbox"/> Economic growth	<input type="checkbox"/> Human development										
<input type="checkbox"/> Gender and development	<input checked="" type="checkbox"/> Good governance										
<input type="checkbox"/> Environmental protection	<input checked="" type="checkbox"/> Private sector development										
<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection										
<input type="checkbox"/> Other:											
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>											
<p>4. Responsible division/department: PAHQ/PARD</p>											
<p>5. Responsible ADB officer(s): Thomas Gloerfelt-Tarp</p>											
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: Under the ADB financed Island Development Program Loan, corporatization of the Interisland Shipping Services and the Tuvalu Maritime Training Institute were conditions for second tranche release. UNDP concurrently had a public sector reform program focusing on accountability and commercialization or privatizing of government enterprises. However, the Government's support for the public sector reforms has been waning, resulting in inferior management of most of the public enterprises. The focus of the public sector enterprise sector is now on improving the corporate governance of the government-owned public enterprises, with the ultimate purpose of increasing the productivity of resource use. Corporatization formally separates and clarifies the roles of owner and manager, but the granting of autonomy to the manager of a public corporation must be matched by effective control, monitoring, and reporting mechanisms that make enterprise management accountable. Additionally, public sector enterprise management itself must be improved through a transparent selection process, training, and a focus on performance.</p>											

<p>b. Goal and purpose: The TA will conduct an in-depth analysis of public sector enterprises with the aim of identifying the key areas necessary for proper corporatization, most notably the issue of accountability. In addition, the issue of board members and control, and the potential lack of qualified and experienced key staff will be analyzed.</p> <p>c. Components and outputs: The TA will encompass all issues relating to corporatization. The output will be a report with clear recommendations and guidelines to the Government on a strategy to efficiently and cost effectively manage the public sector enterprises.</p> <p>d. Expected results and deliverables: Improvement in the public sector service</p> <p>e. Social or environmental issues or concerns: No adverse social or environmental impact is foreseen.</p> <p>f. Plans for disseminating results/deliverables: Workshops with key Government ministries as well as the private sector</p>
<p>7. Proposed executing/implementing agencies: Ministry of Finance and Economic Planning</p>
<p>8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: All ten 100% government-owned public sector enterprises will be analyzed in-depth as well as the corresponding ministries.</p>
<p>9. Timetable for assistance design, processing, and implementation</p> <p>a. Year included in CSP update: 2002</p> <p>b. Expected date of submission for approval Lending: Nonlending (project preparatory): Nonlending (other than project preparatory): 15 Nov 2002 Activities financed by JFICT or JFPR:</p> <p>c. Period and duration of assistance Lending: Nonlending: April 2003, 3 months Activities financed by JFICT or JFPR:</p>
<p>10. Financing Plan (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)</p> <p>a. For lending <input type="checkbox"/> Ordinary capital resources: <input type="checkbox"/> Asian Development Fund: <input type="checkbox"/> Other:</p> <p>b. For nonlending <input type="checkbox"/> No resources required, other than ADB staff <input type="checkbox"/> ADB's administrative budget: <input checked="" type="checkbox"/> Grant TA funds <input checked="" type="checkbox"/> TA Special Fund: US\$250,000 <input type="checkbox"/> Japan Special Fund: <input type="checkbox"/> Other (specify, e.g., bilateral and multilateral trust funds):</p> <p>If cofinancing is required indicate sources, and amount sought: If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):</p> <p>c. For projects financed by <input type="checkbox"/> JFICT: <input type="checkbox"/> JFPR:</p> <p>If cofinancing is required indicate sources, and amount sought:</p>

ADB = Asian Development Bank, CSP = country strategy and program, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, TA = technical assistance, UNDP = United Nations Development Programme.

Table A3.2: Future Electricity Supply for Funafuti**Date: 12 June 2002**

<p>1. Type/modality of assistance</p> <p><input type="checkbox"/> Lending</p> <p> <input type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input checked="" type="checkbox"/> Other than project preparatory : ADTA</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</p> <p> <input type="checkbox"/> Activities financed by JFICT or JFPR</p>											
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Subsector:</p> <p>b. For project preparatory and lending, classification</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s)</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Economic growth</td> <td><input type="checkbox"/> Human development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td><input type="checkbox"/> Good governance</td> </tr> <tr> <td><input type="checkbox"/> Environmental protection</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input type="checkbox"/> Social protection</td> </tr> <tr> <td><input type="checkbox"/> Other:</td> <td></td> </tr> </table>		<input checked="" type="checkbox"/> Economic growth	<input type="checkbox"/> Human development	<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance	<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection	<input type="checkbox"/> Other:	
<input checked="" type="checkbox"/> Economic growth	<input type="checkbox"/> Human development										
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<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development										
<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection										
<input type="checkbox"/> Other:											
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>											
<p>4. Responsible division/department: PAHQ/PARD</p>											
<p>5. Responsible ADB officer(s): Thomas Gloerfelt-Tarp</p>											
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: ADB's involvement in the corporatization of public sector enterprises is the rationale for further engagement in state-owned enterprises. The Tuvalu Electricity Corporation (TEC) will soon have to decide on future power generation investment for Funafuti because of two major public infrastructure projects, namely the new hospital and the new government building. It has been estimated that when finished, these two buildings alone will consume more electricity than what is currently being produced. TEC will therefore have to decide on the best investment for future power generation.</p> <p>b. Goal and purpose: The TA will analyze options for future power generation from cost-effective and environmentally considerations. Being a remote, tiny atoll country, Tuvalu has no strong bargaining position in terms of freight costs of crude oil and thus faces comparatively higher oil costs than most other countries. However, the country also has approximately 2,000 hours of sunshine per year, and solar power may be a supplementary option to consider. In addition, the solid waste on Funafuti also renders the possibility of looking into other options that crude oil and solar power as a means for electricity generation.</p>											

c. Components and outputs: The TA will make an in-depth analysis of current and future estimated power consumption and prepare a technical report describing various options for future investment in power generation taking into consideration initial investment costs, maintenance costs, and environment factors.

d. Expected results and deliverables: An improved and cost-effective power supply.

e. Social or environmental issues or concerns: The project should make a positive contribution towards a cleaner environment by incorporating solar power (if economically feasible) and possibly also public and private waste.

f. Plans for disseminating results/deliverables: -

7. Proposed executing/implementing agencies: Tuvalu Electricity Corporation

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance:-

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP update: 2002
- b. Expected date of submission for approval
 Lending:
 Nonlending (project preparatory):
 Nonlending (other than project preparatory): April 2004
 Activities financed by JFICT or JFPR:
- c. Period and duration of assistance
 Lending:
 Nonlending: June 2004, 3 months
 Activities financed by JFICT or JFPR:

10. Financing Plan (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)

- a. For lending
- Ordinary capital resources:
 - Asian Development Fund:
 - Other:

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

- b. For nonlending
- No resources required, other than ADB staff
 - ADB's administrative budget:
 - Grant TA funds
 - TA Special Fund: US\$100,000
 - Japan Special Fund:
 - Other : Danish Cooperation Fund for Renewable Energy US\$50,000

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

- c. For projects financed by
- JFICT:
 - JFPR:

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

ADB = Asian Development Bank, CSP = country strategy and program, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, PARD = Pacific Department, TA = technical assistance, TEC = Tuvalu Electricity Corporation.