

ADB Operations in Third Quarter of 2003 Total \$577.8 Million

Eight loans totaling \$543.5 million for seven developing member countries (DMCs) and 68 technical assistance projects amounting to \$34.3 million were approved by the Asian Development Bank (ADB) in the third quarter 2003. This brought total operations for third quarter of 2003 to \$577.8 million.

Loans: The People's Republic of China was the largest borrower with \$250 million or 46% of total lending for a road development project (*see related article below*). The transport and communications sector received the largest percentage of ADB lending, followed by the financial, social infrastructure, and energy sectors. About 80% of total lending came from ADB's ordinary capital resources, while the rest from the concessional Asian Development Fund.

Technical assistance: Of the total amount of

technical assistance, \$25.8 million for 55 technical assistance projects went to DMCs and \$8.5 for 13 regional activities. Technical assistance for advisory and operational purposes received the largest percentage of total technical assistance (38%). The largest recipient of country-specific technical assistance was Indonesia, followed by India, Bangladesh, Philippines, and Afghanistan. The energy sector received the largest amount of technical assistance (13% of total), followed by agriculture and natural resources, transport and communications, social infrastructure, and finance.

Also in the third quarter of 2003, ADB mobilized cofinancing totaling \$146.8 million for four loans (\$135 million) and 23 technical assistance projects (\$11.8 million).

Loan disbursements totaled \$858.6 million, 58% of which was for project loans, followed by program, sector, and private sector loans. ■

Road Project to Spur Growth in the PRC's Hinterlands

The Asian Development Bank (ADB) has approved a \$250 million loan for a road project to spur economic growth and reduce the cost of transport for remote hinterland communities of Ningxia Hui Autonomous Region (Ningxia), the People's Republic of China (PRC).

The Ningxia Roads Development Project will finance the construction of a 182-kilometer (km), four-lane toll expressway from Tongxin to Yanchuanzi in southern

Ningxia and upgrade about 400 km of local roads. Construction will include access roads, interchanges, tunnels, bridges, administrative stations, and service areas.

The project expressway will be the missing link in the Yinchuan-Wuhan corridor, one of eight prioritized western corridors in the Government's 10th Five-Year Plan. This route will connect Yinchuan with Xi'an and Wuhan and provide a north-south connection between other routes in the national

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Loan Approvals Third Quarter 2003

	\$ Million	Term (years) including Grace Period	Interest/Service Charge	Date Approved
Bhutan				
Rural Electrification and Network Expansion	9.40	32 (8)	1.0/1.5	30 Sep 03
China, People's Rep. of				
Ningxia Roads Development	250.00	25 (5)	LIBOR ^a -based	11 Sep 03
Kazakhstan				
Rural Area Water Supply and Sanitation Sector	34.60	25 (5)	LIBOR ^a -based	29 Sep 03
Kyrgyz Republic				
Community-Based Early Childhood Development	10.50	32 (8)	1.0/1.5	29 Sep 03
Lao PDR				
Northern Area Rural Power Distribution	30.00	32 (8)	1.0/1.5	18 Sep 03
Nepal				
Public Sector Management Program	35.00	24 (8)	1.0/1.5	8 Jul 03
Community-Based Water Supply and Sanitation Sector	24.00	32 (8)	1.0/1.5	30 Sep 03
Philippines				
Second Nonbank Financial Governance Program	150.00	15 (3)	LIBOR ^a -based	2 Sep 03
TOTAL	543.50			

^a London interbank offered rate.

Loan Disbursements Third Quarter 2003

	\$ Million	%
Afghanistan	0.50	0.1
Bangladesh	38.76	4.5
Bhutan	1.85	0.2
Cambodia	18.75	2.2
China, People's Rep. of	167.48	19.5
Cook Islands	0.02	0.0
Fiji Islands	0.75	0.1
India	81.54	9.5
Indonesia	86.89	10.1
Kazakhstan	2.07	0.2
Kiribati	0.17	0.0
Korea, Rep. of	0.00	0.0
Kyrgyz Republic	8.19	1.0
Lao PDR	16.38	1.9
Malaysia	0.00	0.0
Maldives	0.72	0.1
Marshall Islands	0.44	0.1
Micronesia, Fed. States of	2.41	0.3
Mongolia	4.02	0.5
Myanmar	0.00	0.0
Nauru	0.00	0.0
Nepal	23.56	2.7
Pakistan	152.83	17.8
Papua New Guinea	3.17	0.4
Philippines	99.80	11.6
Samoa	0.57	0.1
Solomon Islands	0.00	0.0
Sri Lanka	56.99	6.6
Tajikistan	3.43	0.4
Thailand	5.95	0.7
Tonga	0.00	0.0
Tuvalu	0.10	0.0
Uzbekistan	16.18	1.9
Vanuatu	0.00	0.0
Viet Nam	65.14	7.6
TOTAL^a	858.64	100.0

^a Total may not add due to rounding.

Loans by Sector Third Quarter 2003

	\$ Million	%
Transport and Communications	250.00	46.0
Finance	150.00	27.6
Social Infrastructure	58.60	10.8
Energy	39.40	7.2
Others	35.00	6.4
Multisector	10.50	1.9
TOTAL^a	543.50	100.0

^a Total may not add due to rounding.

In this publication, \$ refers to US dollars.

Road Project *(continued from page 1)*

trunk highway system. Upgrading the local roads will provide all-weather access to 184 villages, many of them situated in poor minority areas.

"Improving the road network in southern Ningxia is essential to promoting the economic growth that is necessary to win the war against poverty in this poor, isolated region," says Eunkyung Kwon, an ADB Project Economist. "Taking an integrated approach that includes a local roads component will ensure that the benefits of the proposed expressway are spread over a wide cross-section of poor communities."

Ningxia had a per capita gross domestic product in 2001 that was about two thirds the national average. Its specialty products, such as potatoes, watermelons, and mutton, need to be transported to markets quickly to fetch good prices for fresh produce.

The total volume of goods traded in Ningxia in the last few years has posted double-digit growth rates. However, economic growth, trade, and interaction with other regions are hampered by poor transport conditions. There are only 120 km of operational expressways in Ningxia—all in the northern area.

"For the 1.4 million people living in the project area, lower transport costs and faster travel times will mean easier and cheaper access to social services, better income opportunities, and new markets for their produce," Ms. Kwon adds. ■

Financial Resources

Third Quarter 2003

	\$ Million
Ordinary Capital Resources	
Authorized Capital	50,031
Subscribed Capital	50,029
Callable	46,510
Paid-in	3,519
Outstanding Debt	25,904
Reserves and Unallocated	
Net Income	12,580
Special Funds Resources	
Asian Development Fund	
Total Committed	24,150
Amounts Available for Loan Commitments	23,440
Not Yet Available for Loan Commitments	710
ADF Commitment Authority	385
Technical Assistance Special Fund	
Total Committed	1,004
Amount Utilized	883
Amount Unutilized	121
Japan Special Fund	
Regular and Supplementary	
Total Committed	853
Amount Utilized	700
Amount Unutilized	153
Asian Currency Crisis Support Facility	
Total Committed ^a	151
Amount Utilized	124
Amount Unutilized	27
ADB Institute Special Fund	
Total Committed	83
Amount Utilized	67
Amount Unutilized	16

^a Net of \$90 million transfer to the Japan Fund for Poverty Reduction.

Technical Assistance Third Quarter 2003

	Type ^a	\$'000	Date Approved
Afghanistan			
Power Transmission and Distribution	PP	750.00	13 Aug
Herat-Andkhoy Road	PP	1,000.00	17 Sep
Bangladesh			
Chittagong Port Trade Facilitation	PP	500.00 ^b	2 Jul
Agribusiness Development	PP	650.00 ^b	4 Jul
Supporting Good Governance Initiatives	AO	950.00 ^c	4 Jul
Second Urban Primary Health Care	PP	400.00 ^b	25 Aug
Arsenic Mitigation Review and Strategy Formulation	AO	120.00	3 Sep
Bhutan			
Road Network Expansion	PP	500.00 ^b	2 Jul
Capacity Building of the Bhutan Electricity Authority	AO	400.00	30 Sep
Establishing the Druk Hydropower Corporation	AO	500.00	30 Sep
Cambodia			
Capacity Building of Electricity Authority of Cambodia	AO	240.00 ^d	2 Sep
Small- and Medium-Sized Enterprise Sector Development Program	PP	500.00 ^b	22 Sep
Implementation of Land Legislation—Phase 2	AO	600.00	23 Sep
China, People's Republic of			
Preventing HIV/AIDs on Road Projects in Yunnan Province	AO	800.00 ^e	14 Jul
Participatory Poverty Reduction Planning for Small Minorities	AO	840.00 ^f	12 Aug
Fiji Islands			
Strengthening Public Sector Financial Governance	AO	460.00 ^b	8 Aug
India			
Assam Governance and Public Resource Management Program	PP	700.00 ^g	17 Jul
National Highways Sector II	PP	300.00	21 Jul
Administration of Justice	AO	500.00 ^g	25 Jul
Urban Sector Review and Strategy	AO	480.00	13 Aug
Urban Clean Fuel	PP	995.00 ^g	24 Sep
Indonesia			
Carbon Sequestration through the Clean Development Mechanism	AO	700.00 ^h	2 Jul
Facilitating Private Sector Participation in Ports Infrastructure under Decentralization	AO	315.00	9 Jul
Sustainable Aquaculture Development for Food Security and Poverty Reduction	PP	800.00 ^g	16 Jul
Second Decentralized Health Services: Adapting the Project to New Regulations	PP	100.00	8 Aug
Flood Management in Selected River Basins	PP	1,250.00 ⁱ	12 Aug
Strengthening Civil Society Participation in the Design, Implementation, and Monitoring of Asian Development Bank Projects	AO	300.00 ^j	13 Aug
Support for the Development of a Poverty Reduction Strategy Toward Achieving the MDGs	AO	150.00 ^k	17 Sep
Kazakhstan			
Formulation of Rural Road Development Plan	AO	150.00	16 Jul
Regional Rural Development	PP	677.00	17 Sep
Institutional Strengthening for Rural Water Supply and Sanitation Services	AO	350.00 ^b	29 Sep
Kyrgyz Republic			
Education Development	PP	600.00 ^b	21 Aug
Institutional Strengthening for Community-Based Early Childhood Development	AO	500.00 ^b	29 Sep
Lao People's Democratic Republic			
Rural Finance Development Loan	PP	150.00 ^b	2 Jul
Enhancing Government Accounting Regulations and Procedures Phase II	AO	620.00 ⁱ	23 Sep
Micronesia, Federated States of			
National Strategic Development Plan	AO	150.00	5 Sep
Nepal			
Supporting Government Disengagement from Public Enterprises	AO	425.00	8 Jul
Pakistan			
Skills Development Reform	PP	150.00	17 Jul
Public-Private Infrastructure Financing Facility	PP	400.00	25 Jul
Social Protection Strategy Development Study	AO	350.00	2 Aug
Sustainable Livelihood in Barani Areas (Punjab)	PP	400.00 ^b	2 Sep
Punjab Devolved Social Services Sector Development Program	PP	300.00	26 Sep
Philippines			
Promoting Good Governance in the Restructured Power Sector	AO	800.00	18 Jul

Preparation of Cadastral Surveys for the Rural Roads Development Project	PP	150.00	25 Aug
Support for the Nonbank Financial Sector	AO	500.00	2 Sep
Rehabilitation of Renewable Energy Projects for Rural Electrification and Livelihood Development	AO	450.00 ^m	16 Sep
Enhancing the Efficiency of Overseas Workers' Remittances	AO	150.00	26 Sep
Sri Lanka			
Public-Private Partnership Expressway	PP	800.00	17 Sep
Greater Colombo Wastewater Management Sector Review	AO	150.00	26 Sep
Tajikistan			
Water Resources Development and Rehabilitation	PP	600.00 ^b	14 Jul
Uzbekistan			
Development of the Capital Market	AO	200.00	16 Jul
Institutional Strengthening of the State Committee on Demonopolization and Competition Development	AO	300.00	16 Jul
Off-Grid Renewable Energy Development	AO	350.00 ^m	15 Sep
Vanuatu			
Diagnostic Study for Improving Access to Affordable Credit	AO	150.00	14 Sep
Viet Nam			
Provincial Development Planning in the Central Highlands	AO	150.00 ^d	20 Aug
TOTAL		25,772.00	

- ^a Type of technical assistance: advisory and operational (AO) and project preparatory (PP).
^b To be financed from the Japan Special Fund (JSF).
^c Of this amount, \$250,000 is to be financed from the Governance Cooperation Fund and \$700,000 from the Technical Assistance Special Fund (TASF).
^d To be financed from the Governance Cooperation Fund.
^e To be financed from the Poverty Reduction Cooperation Fund.
^f To be financed from the National Poverty Reduction Strategies Cooperation Fund.
^g To be financed by the United Kingdom.
^h To be financed from the Canadian Cooperation Fund for Climate Change.
ⁱ Of this amount, \$1,000,000 is to be financed by The Netherlands and \$250,000 from the TASF.
^j Of this amount, \$100,000 is to be financed by the United Kingdom and \$200,000 from the TASF.
^k Of this amount, \$110,000 is to be financed by the United Kingdom and \$40,000 from the TASF.
^l Of this amount, \$550,000 is to be financed from the JSF and \$70,000 from the TASF.
^m To be financed by Denmark.

Regional Technical Assistance Third Quarter 2003

	\$ '000	Date Approved
Subregional Corridor Operational Efficiency Study in the South Asia Subregion	250.00	2 Jul
Making Markets Work Better for the Poor	2,200.00 ^a	2 Jul
Thirteenth Tax Conference	150.00 ^b	14 Jul
Poverty Reduction in Upland Communities in the Mekong Region through Improved Community and Industrial Forestry	800.00 ^c	4 Aug
Capacity Building of Selected Credit Rating Agencies in Asia, Phase II	100.00 ^b	8 Aug
Promoting Knowledge Transfer through Diaspora Networks	150.00 ^d	13 Aug
Clean Air Initiative for Asian Cities (Supplementary)	92.02 ^e	13 Aug
Promoting NGO Support for Poverty Reduction in the Greater Mekong Subregion	150.00 ^c	22 Aug
Regional Civil Aviation Safety and Security	150.00	25 Aug
Social Protection Index for Committed Poverty Reduction	600.00 ^f	27 Aug
Rural, Urban, and Subregional Linkages in the Mekong Region: A Holistic Approach to Development and Poverty Reduction	400.00	2 Sep
Capacity Building of Executing Agencies for Financial Management of Projects in East and Central Asia	450.00	17 Sep
Emergency Regional Support to Address the Outbreak of Severe Acute Respiratory Syndrome (SARS) (Supplementary)	3,000.00 ^b	29 Sep
TOTAL	8,492.02	

- ^a Of this amount, \$2,000,000 is to be financed by the United Kingdom and \$200,000 from the Technical Assistance Special Fund (TASF).
^b To be financed from the Japan Special Fund.
^c To be financed from the Poverty Reduction Cooperation Fund.
^d To be financed from the Governance Cooperation Fund.
^e To be financed by the private sector.
^f Of this amount, \$300,000 is to be financed from the Poverty Reduction Cooperation Fund and \$300,000 from the National Poverty Reduction Strategies Cooperation Fund.

Top Recipients of Technical Assistance Third Quarter 2003

	\$ Million	%
Indonesia	3.62	10.6
India	2.98	8.7
Bangladesh	2.62	7.6
Philippines	2.05	6.0
Afghanistan	1.75	5.1
China, People's Rep. of	1.64	4.8
Pakistan	1.60	4.7
Bhutan	1.40	4.1
Cambodia	1.34	3.9
Kazakhstan	1.18	3.4
Other DMCS	5.61	16.4
Regional Activities	8.49	24.8
TOTAL^a	34.26	100.0

^a Total may not add due to rounding.

Technical Assistance by Sector Third Quarter 2003

	\$ Million	%
Energy	4.49	13.1
Agriculture and Natural Resources	4.38	12.8
Transport and Communications	3.72	10.8
Social Infrastructure	3.15	9.2
Finance	1.98	5.8
Multisector	0.80	2.3
Industry and Nonfuel Minerals	0.50	1.5
Others	6.77	19.8
Total Grants to DMCS	25.77	75.2
Regional Activities	8.49	24.8
TOTAL^a	34.26	100.0

^a Total may not add due to rounding.

The 37th Annual Meeting of ADB's Board of Governors will be held at Jeju Island, Republic of Korea, from 15 to 17 May 2004. For details, go to <http://www.adb.org/AnnualMeeting/2004/>

Senior Appointments and Movements

(effectivity from 25 September to 30 November 2003)

Appointment

- **Nalin P. Samarasingha**—appointed as Special Project Facilitator, Office of the Special Project Facilitator, 26 November.

Staff Movements

- **Robert C. Y. Yeung**—Director, Budget and Management Services Division, Budget, Personnel, and Management Systems Department, promotion, 1 October.
- **David R. Parker**—transfer and redesignation from Assistant Treasurer, Treasury Services Division to Advisor (Financial Policy) and Head, Financial Policy Unit, Financial Policy Unit, Office of the Treasurer, Treasury Department, 1 October.
- **Karti Sandilya**—Resident Director, promotion effective 1 October 2003 and redesignation to Resident Director General, North American Representative Office, Office of the President, 27 October.
- **Jungsoo Lee**—redesignation from Resident Director to Resident Director General, Japanese Representative Office, Office of the President, 27 October.
- **Zhang Yuejiao**—redesignation from Resident Director to Resident Director General, European Representative Office, Office of the President, 27 October.
- **Werner E. Liepach**—promotion from Principal Financial and Capital Market Specialist, Governance, Finance, and Trade Division, South Asia Department to Director, Office of Cofinancing Operations, 28 October.
- **Patrick C. Giraud**—Director, Infrastructure Division, Southeast Asia Department, promotion, 2 November.
- **Byung-Wook Park**—Assistant Controller, Loan Administration Division, Controller's Department, promotion, 3 November.
- **Rolf Zelius**—promotion and transfer from Deputy Director General and Chief Compliance Officer, Regional and Sustainable Development Department to Secretary, Compliance Review Panel, Office of the Compliance Review Panel, 20 November.
- **Jan P.M. Van Heeswijk**—redesignation from Director General to Director General, Regional and Sustainable Development Department concurrently Chief Compliance Officer, Regional and Sustainable Development Department, 20 November.

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Projects Involving Cofinancing Third Quarter 2003

	\$ Million	Source
Loan		
Bhutan		
Rural Electrification Network Expansion	1.70	Japan
China, People's Republic of		
Ningxia Roads Development	113.80	China Development Bank
Kazakhstan		
Rural Area Water Supply and Sanitation Sector	9.50	Islamic Development Bank
Lao People's Democratic Republic		
Northern Area Rural Power Distribution	10.00	Nordic Development Fund
TOTAL LOANS	135.00	
Technical Assistance		
Bangladesh		
Supporting Good Governance Initiatives	0.25	Governance Cooperation Fund
Cambodia		
Capacity Building of Electricity Authority of Cambodia	0.24	Governance Cooperation Fund
China, People's Republic of		
Preventing HIV/AIDS on Road Projects in Yunnan Province	0.80	Poverty Reduction Cooperation Fund
Participatory Poverty Reduction Planning for Small Minorities	0.84	National Poverty Reduction Strategies
India		
Assam Governance and Public Resource Management Program	0.70	United Kingdom
Administration of Justice	0.50	United Kingdom
Urban Clean Fuel	1.00	United Kingdom
Indonesia		
Carbon Sequestration Through the Clean Development Mechanism	0.70	Canadian Cooperation Fund on Climate Change
Sustainable Aquaculture Development for Food Security and Poverty Reduction	0.80	United Kingdom
Flood Management in Selected River Basins	1.00	The Netherlands
Strengthening Civil Society Participation in the Design Implementation, and Monitoring of ADB Projects	0.10	United Kingdom
Small-Scale Technical Assistance for the Development of a Poverty Reduction Strategy Toward Achieving the Millennium Development Goals	0.11	United Kingdom
Philippines		
Rehabilitation and Renewal of Energy Projects for Rural Electrification	0.45	Danish Cooperation Fund for Renewable Energy and Energy Efficiency
Uzbekistan		
Off-Grid Renewable Energy and Development	0.35	Danish Cooperation Fund for Renewable Energy and Energy Efficiency
Viet Nam		
Provincial Development Planning in the Central Highlands	0.15	Governance Cooperation Fund
Regional		
Making Markets Work Better for the Poor	2.00	United Kingdom—Department for International Development
Poverty Reduction in Upland Communities in the Mekong Region through Improved Community and Industrial Forestry	0.80	Poverty Reduction Cooperation Fund
Clean Air Initiatives for Asian Cities (Supplementary)	0.06	Australia
Promoting Knowledge Transfer through Diaspora Networks	0.03	Private Sector
Promoting Nongovernment Organizations Support for Poverty Reduction in the Greater Mekong Subregion	0.15	Governance Cooperation Fund
Social Protection Index for Committed Poverty Reduction	0.30	Poverty Reduction Cooperation Fund
	0.30	National Poverty Reduction Strategies
		Poverty Reduction Cooperation Fund
TOTAL TECHNICAL ASSISTANCE	11.78	
GRAND TOTAL	146.78	