

**ANALYSIS OF ADF PROJECT AND PROGRAM DESIGN CHANGES
BEFORE AND AFTER 2001**

Supplementary Appendix G

to the

**SPECIAL EVALUATION STUDY ON THE
ASIAN DEVELOPMENT FUND VIII AND IX OPERATIONS**

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ANALYSIS OF ADF PROJECT AND PROGRAM DESIGN FEATURES BEFORE AND AFTER 2001

A. Poverty and Governance Targeting in ADF VIII and IX Operations in the Agriculture and Water Supply and Sanitation Sectors

1. This section of the appendix presents the findings of a study of poverty and governance targeting in Asian Development Fund (ADF) VIII and IX projects in (i) the agriculture sector development sector, and (ii) the water supply and sanitation (WSS) sector.¹ The study compares a number of characteristics of ADF VIII and IX projects with those of earlier ADF VI and VII projects. Projects were analyzed in terms of some of the main thematic commitments of ADF VIII and IX, such as poverty reduction, inclusive social development, capacity building, involvement of non government organizations (NGOs), private sector development, gender and development, and good governance². The study used random sampling to select in each of the two sectors ten Report and Recommendations to the President (RRPs) and for each of the two periods: 1992–2000 (ADF VI and VII), and 2001–2006 (ADF VIII–IX). In most cases, this sampling allowed all projects approved over the period to be analyzed, as absolute numbers were relatively small.

1. ADF VIII and IX Projects in Agriculture Sector Development

a. Basic Information

2. Twenty projects as funded by ADF VI–VII and ADF VIII–IX were analyzed (Table 1).

Table 1: Sample of ADF Projects in the Agriculture and Natural Resources Sector

ADF VI and VII (1992–2000)	
1.	North West Frontier Province Area Development (Loan 1179-PAK)
2.	Cordillera Highland Agricultural Resource Management (Loan 1422-PHI)
3.	Rural Microfinance Project (Loan 1650-NEP)
4.	Agricultural Sector Program (Loan 1445-CAM)
5.	Agriculture Sector Program (Loan 1409-MON)
6.	Agriculture Sector Development Program (L1821/1822-MON)
7.	Agriculture Sector Program (Loan 1407-KGZ)
8.	Command Area Development (Loan 1399-BAN)
9.	Khulna-Jessore Drainage Rehabilitation (Loan 1289 -BAN)
10.	Agriculture Area Development (Loan 1726-KGZ)
ADF VIII and IX (2001–2006)	
1.	Plantation Development (Loan 1913-SRI)
2.	Agriculture Sector Development Program (Loan 1972/1973-VIE)
3.	Second Rural Infrastructure Improvement (Loan 2254-BAN)
4.	Land Improvement Project (Loan 2246-UZB)
5.	North East Coastal Community Development Project (Loan 2027-SRI)
6.	Agriculture Rehabilitation Project (Loan 1980-TAJ)
7.	Agriculture Sector Program (Loan 2083-AFG)
8.	Gender Equality and Empowerment of Women Project (Loan 2143-NEP)
9.	Decentralized Rural Infrastructure and Livelihood Project (Loan 2092-NEP)
10.	North East Community Restoration and Development Project (Loan 1846-SRI)

ADF = Asian Development Fund.

¹ The two are labeled sectors here although in ADB's classification system they would be subsectors.

² A data checklist identified in the proposed evaluation approach paper of the evaluation of ADF VIII and IX Operations was utilized to gather information on poverty and governance characteristics.

i. Thematic Classification

3. Agriculture sector development projects were mostly classified under the themes of economic growth or gender and development, inclusive social development, human development, environment, and governance. ADF VIII and IX projects were also mostly classified as core poverty interventions.³ Most of the Asian countries in 1992–2000 were in transition to market-led economies and tended to prioritize economic growth policies that encouraged enabling investment climates in the rural areas.

ii. Beneficiaries

4. ADF VIII and IX projects were more focused on the vulnerable groups who have no access to basic services such as small and poor farmers, rural women, and ethnic groups compared to earlier ADF projects in which beneficiaries indirectly benefited from the broad nature of the interventions. In general, ADF VI and VII agriculture projects cited that aside from the small farmers, the beneficiaries included a wide range of agriculture producers. ADF VIII and IX projects were also more explicitly focused on indigenous peoples (IPs) as beneficiaries compared to ADF VI and VII.⁴

iii. Affected People

5. There were fewer projects in ADF VIII and IX which had retrenchment on people and employees brought about by the restructuring of state-owned enterprises (SOEs).⁵ Projects with retrenchment included two in ADF VIII and IX namely, Afghanistan's Agricultural Sector Program, a program loan with governance reform measures, and Vietnam's Agricultural Sector Development Program, another program loan which included a sub-component on the restructuring of research agencies, institutes, and SOEs in order to expand support to the small and medium enterprises (SMEs).

iv. Loan Assurances and Conditions of Contracts

6. ADF VIII and IX agriculture sector development projects included the following loan assurances: (i) ensuring timely implementation of project or program through the establishment of project implementation offices; (ii) hiring of staff and consultants on time; (iii) sustaining budgetary allocations to cover required counterpart funding and financial flow for projects after project completion; (iv) providing for a combination of trade, market, institutional reforms, including enactment of legislation as requisites in creating an enabling environment for successful implementation of project objectives; and (v) ensuring security for project areas affected or within areas of conflict, and others. There were fewer program loans in ADF VIII and IX but overall, loan assurances were extracted as conditions in the release of subsequent loans. ADF VIII and IX projects had more uniform conditions of contracts unlike those from ADF VI and VII where there were varied periods of amortization and grace periods.

³ Before 2001, ADB had no such classification in terms of poverty interventions. ADB classified as per the following five strategic development objectives: economic growth, human development, poverty reduction, women/gender, and environmental protection and natural resource management (NRM).

⁴ At least five or six projects under ADF VIII and IX mentioned positive effects of projects on IPs compared to only about two projects under ADF VI and VII.

⁵ Four projects in ADF VI and VII compared to two projects in ADF VIII and IX.

v. Project Costs and ADF Contribution

7. Projects in ADF VIII and IX had higher project cost estimates than those in ADF VI and VII. Based on the sample, agriculture sector development projects in ADF VIII and IX had an average project cost of \$83.10 million compared to only \$38.5 million in ADF VI and VII. The increase in average project cost can be attributed to few projects with the inclusion of rural infrastructure and the upgrading or construction of rural roads. The biggest was the Second Rural Infrastructure Improvement (Loan 2254-BAN) in Bangladesh which had a total project cost of \$260 million and an approved ADF loan of \$96 million. Other big projects included were Viet Nam's Agriculture Sector Development Program (Loans 1972 and 1973-VIE), \$96 million which was all ADF; Sri Lanka's Plantation Development (Loan 1913-SRI), \$114 million with ADF counterpart of \$20 million; and Uzbekistan's Land Improvement Project (Loan 2246-UZB), \$76 million with ADF contribution of \$27.6 million. See Table 2. The average contribution of ADF to agriculture sector development rose slightly from \$39.6 million in 1992–2000 to \$42.5 million in 2001–2006. ADF VIII and IX projects also benefited from more counterpart funds from international agencies than ADF VI and VII projects although, in general, projects from both periods relied on counterpart funds from local beneficiaries. Microfinance components were included in some ADF projects in both periods (1992–2000 and 2001–2006).

b. Project Characteristics

i. Impact and Purpose

8. The main goals of ADF VIII and IX agriculture sector development projects were poverty reduction, economic growth, or improvement in the social, economic, political well-being of beneficiaries. The projects focused on the need for interventions that directly assist the poor to improve livelihoods and meet basic needs, compared to ADF VI and VII in which the prevailing aim or goal of agriculture projects was developing a market-based economy to facilitate in the long run the enabling environment for poverty reduction and economic growth. In general, the statements of aim or goal in ADF VIII and IX projects were consistent in the design and monitoring framework of said projects.

ii. Components of Projects

9. Compared to projects in ADF VI and VII, most projects in ADF VIII and IX had more components focusing on research and extension, rural infrastructure, sound environmental (water and land resource) management, access to credit, and social development. There were more projects in ADF VI and VII which focused on marketing support and development. This was also evident from the statement of project scope and objectives although components on social development or those that targeted the vulnerable groups were evident from both ADF VI–VII and ADF VIII–IX. This may be traced from the fact that ADF VI and VII projects had more program loans with components that have broader interventions outlined in a mix of several policy and governance measures. In general, ADF VIII and IX agriculture projects with more components particularly those that included construction or improvement of rural infrastructure turned out to have bigger project cost than ADF VI and VII projects. Examples of these include Bangladesh's Second Rural Infrastructure Improvement (Loan 2254-BAN), Viet Nam's Agriculture Sector Development Program (Loans 1972- and 1973-VIE), Sri Lanka's Plantation Development (Loan 1913-SRI), \$114 million with ADF counterpart of \$20 million, and Uzbekistan's Land Improvement Project (Loan 2246-UZB).

iii. National or Sub-national Policy Development

10. ADF VIII and IX agriculture projects had more national or sub-national policy development components.⁶ However, since there were more program loans in ADF VI and VII, the policy and governance measures were therefore treated separately in the project components. Projects in ADF VIII and IX focused more on enhancing governance both at the national and project management levels. These included the strengthening of agencies involved in project implementation, including management of water users' associations (WUA) or water management associations (WMAs), and establishment of information systems for project monitoring and evaluation (M&E).

iv. Capacity Building

11. Projects in both periods without exception provided capacity building programs to government agencies specifically on improving government performance in the delivery of extension services to farmers. These included farm development, farm business management, project implementation and O&M, training on environmental measures such as integrated pest management (IPM), adaptive research, and management of WUAs, WMAs, and other beneficiary groups. ADF VIII and IX may have emphasized slightly more the training of community-based organizations (CBOs).⁷ Training of beneficiaries remained a major subcomponent in all ADF projects since 1992. Some of the major training activities provided were in agricultural practices, on-farm technologies, and other life skills such as hygiene and sanitation.

v. Nongovernment Organization (NGO) Involvement

12. In both periods, projects equally involved NGOs in several components of the project e.g. in the implementation of civil works, public awareness of project, mobilization of support, conduct of training, and consultation with beneficiaries.

vi. Private Sector Development

13. Similarly, the private sector was involved in all projects in both periods in various capacities such as development of private agriculture enterprises in the management of former SOEs, marketing support for farmers, participatory project planning through conduct of consultations with various private sector organizations, information-sharing, and membership in committees in-charge of projects, and directly by implementation as providers of inputs or services.

vii. Social Development/Social Protection

14. Projects from both periods added project subcomponents to aid social development and protection particularly since agriculture projects naturally combine infrastructure and livelihood opportunities. Community development in terms of creating livelihood, organizing beneficiaries into associations, and empowerment of women remained a special feature in all projects of the two periods.

⁶ All 10 projects in ADF VIII and IX had national/ sub-national policy development compared to eight projects in ADF VI and VII. Focus on national policy development was highlighted in Loan 1973-VIE and Loan 2083-AFG.

⁷ Nine projects ADF VIII and IX projects included training for CBOs compared to eight projects in ADF VI and VII.

viii. Gender Relations

15. Projects from both periods equally incorporated women and development or gender concerns in project subcomponents. In most projects, women were not only identified as beneficiaries but were active participants as well in project planning, preparation or identification of subprojects, implementation, and M&E.

ix. Special Poverty and Governance Components

16. Add-ons targeted to the poor were already evident in the period of ADF VI and VII in this sector, and continued to be found in the period ADF VIII and IX. Suspected add-ons to the agriculture projects included basic social services for the most vulnerable groups such as the provision of supplementary investments to construct or rehabilitate health facilities and primary schools; provision of time-saving household technologies such as improved cooking stoves, storage facilities, biogas plants, and other devices at household and community levels under the social empowerment component; support for additional livelihood opportunities such as tourism and waste management; construction of union complexes for the provision of social and technical services for healthcare, education, and flood refuge shelters;⁸ and provision of housing loans for plantation workers including common site services at the housing compounds.⁹

17. Special governance related components were evident in both ADF VI–VII and ADF VIII–IX. In some of the projects from ADF VIII and IX, governance components such as trade and market policy reforms, structural, and institutional reforms were added to facilitate project or program implementation.¹⁰ On the other hand, projects from the ADF VI and VII¹¹ with governance aspects were inherent in the nature of the program loans or sector projects.

x. Involvement of Agencies

18. There were moves toward decentralizing project implementation, at least on most of the responsibilities especially of specific components. However, policy guidance for overall project development remained a function of the central government. It appears that governments were transforming their functions away from direct involvement in agricultural production and marketing activities and more into a facilitating role, through support services, incentives, and institution building. For specific components, the government agencies were involved, in partnership with local agencies, NGOs, CBOs, and the private sector. International agencies were more involved in providing counterpart funds in ADF VIII–IX¹² than those in ADF VI–VII.¹³ Similarly, beneficiaries and financial institutions were also becoming more involved through co-financing.¹⁴ Projects in ADF VIII and IX had more complex project implementation structures

⁸ Loan 2254-BAN.

⁹ Loan 1913-SRI, Loan 2254-BAN, Loan 2027-SRI, Loan 1980-TAJ, Loan 2143-NEP, Loan 2092-NEP of ADF VIII and IX; and Loan 1726-KGZ, Loan 1399-BAN, Loan 1407-KGZ, Loan 1821/1822-MON, Loan 1650-NEP of ADF VI and VII.

¹⁰ Loan 1913-SRI, Loan 1972/1973-VIE, Loan 2254-BAN, Loan 2246-UZB, Loan 2027-SRI, Loan 1980-TAJ, Loan 2083-AFG, Loan 2143-NEP of ADF VIII and IX.

¹¹ Loan 1422-PHI, Loan 1399-BAN, Loan 1289-BAN, Loan 1726-KGZ of ADF VI and VII.

¹² Four projects of ADF VIII and IX which include Loan 1846-SRI, Loan 2092-NEP, Loan 2027-SRI, and Loan 2254-BAN.

¹³ One project of ADF VI and VII which was Loan 1422-PHI.

¹⁴ Seven projects of ADF VIII and IX (Loan 1846-SRI, Loan 2092-NEP, Loan 2143-NEP, Loan 1980-TAJ, Loan 2027-SRI, Loan 2246-UZB, Loan 1913-SRI) compared to five projects of ADF VI and VII (Loan 1399-BAN, Loan 1821/1822-MON, Loan 1650-NEP, Loan 1422-PHI, Loan 1179-PAK).

than those in ADF VI and VII because of the larger number of agencies involved and also the scope of projects. Projects and programs with broader scope and more components had also more complex project organization structures.

xi. Technical Assistance (TA) and Consulting Services

19. International and local consultancy services were more dominant in ADF VIII and IX than ADF VI and VII.¹⁵ However, projects in ADF VI and VII had more advisory technical assistance (ADTA) compared to ADF VIII and IX.¹⁶ In general, consultancy services from both international and local did not specify the hiring of gender specialists. However, there were fewer projects with ADTA in ADF VIII and IX projects than in ADF VI and VII although in general the nature of assistance remained the same. The major form of assistance was still capacity building and institutional building of agencies involved in project implementation.

c. Poverty and Governance Study Measures

i. Poverty Monitoring

20. In general, projects from both ADF VI–VII and ADF VIII–IX highlighted that a baseline survey of beneficiaries will be done. However, ADF VIII and IX projects elaborated more on the need to conduct other surveys and investigations to substantiate monitoring indicators, particularly poverty impacts in monitoring.¹⁷ ADF VIII and IX projects also emphasized the employment effects of modern technologies in agricultural practices, including for example, time saving household technologies for women. In addition, only few projects from both ADF VI–VII and ADF VIII–IX indicated that an external monitoring team or agency will be engaged to conduct monitoring and review of projects.

ii. Governance and Project Risks

21. Agriculture projects in ADF VIII and IX identified the domination of local elites as possible risk in project implementation than in ADF VI and VII.¹⁸ Local authorities were also mentioned in both ADF VI–VII and ADF VIII–IX as having a crucial role in the acceptability of reforms implemented at the local level. In both periods, the major risk to speedy project implementation was weak implementation agencies involved in need of capacity building. Other important factors were counterpart funds and government commitment to reforms.

iii. Consistency of National Plans and ADB Strategy

22. In general, ADF projects from 1992–2000 and 2001–2006 were consistent with national plans. The projects highlighted that poverty remained basically a rural phenomenon in most of the developing member countries in Asia and that the challenge in project design was the design of components that targeted the poor.

¹⁵ All 10 projects in ADF VIII and IX, compared to seven of 10 projects in ADF VI and VII, had consulting services.

¹⁶ There were four projects in ADF VIII and IX with ADTA compared to six projects in ADF VI and VII.

¹⁷ All 10 projects in ADF VIII and IX compared to eight projects in ADF VI and VII.

¹⁸ Four projects in ADF VIII and IX compared to two projects in ADF VI and VII.

2. ADF VIII and IX Projects for Water Supply and Sanitation

a. Basic Information

23. Nine RRP¹⁹ each for the periods ADF VI–VII and ADF VIII–IX were analyzed for the water supply and sanitation (WSS) sector indicated in Table 2.

Table 2: Sample of ADF Projects in the Water Supply and Sanitation Sector

ADF VI and VII (1992–2000)	
1.	Third Water Supply and Sanitation Sector (Loan 1165-NEP)
2.	Fourth Rural Water Supply and Sanitation Sector (Loan 1464-NEP)
3.	Second Provincial Towns Water Supply and Sanitation Project (Loan 1514-VIE)
4.	Rehabilitation and Upgrading of Vientiane Water Supply (Loan 1190-LAO)
5.	Small Towns Water Supply and Sanitation Sector Project (Loan 1755-NEP)
6.	Ho Chi Minh City Water Supply and Sanitation Rehabilitation (Loan 1273-VIE)
7.	Urban Water Supply and Sanitation Project (Loan 1260-PAK)
8.	Majuro Supply and Sanitation (Loan 1389-RMI)
9.	Water Supply and Sanitation (Loan 1459-FSM)
ADF VIII and IX (2001–2006)	
1.	Kathmandu Valley Water Services Sector Development Program (Loan 2059-NEP)
2.	Punjab Community Water Supply and Sanitation Sector Project (Loan 1950-PAK)
3.	Secondary Towns and Rural Community-Based Water Supply and Sanitation (Loan 1993-SRI)
4.	Community-Based Water Supply and Sanitation Sector Project (Loan 2008-NEP)
5.	Urban Water Supply and Sanitation Project (Loan 2119-AZE)
6.	Secondary Towns Water Supply and Sanitation Sector (Loan 2265-BAN)
7.	Third Provincial Towns Water Supply and Sanitation (Loan 1880-VIE)
8.	Emergency Restoration of Yavan Water Conveyance System (Loan 1852-TAJ)
9.	Kashkadarya and Navoi Rural Water Supply and Sanitation Sector (Loan 2208-UZB)

ADF = Asian Development Fund.

i. Themes

24. ADF-supported projects in the water supply and sanitation sector were mainly classified as focusing on human development, environment, and poverty reduction. Most projects in ADF VIII and IX were classified under the theme socially inclusive development.

ii. Beneficiaries and Affected People

25. Targeting of beneficiaries in ADF VIII and IX had more focus on the vulnerable groups or those who ruralites or urbanites living below the poverty line. Five projects in ADF VIII and IX noted that over 50% of beneficiaries were living below the poverty line compared to 3 or 4 projects in ADF VI and VII. More projects in ADF VIII and IX included IPs as beneficiaries.²⁰ More people were negatively affected as a result of construction or rehabilitation works of WSS facilities.²¹ Similarly, in view of the re-structuring of WSS agencies in 2001–2006, more projects in ADF VIII and IX were expected to lay off people working in WSS agencies.²²

¹⁹ The 10th on the list, Secondary Towns and Rural Community-Based Water Supply and Sanitation (Loan 2276-SRI) was a supplementary loan to the Secondary Towns and Rural Community Based Water Supply and Sanitation (Loan 1993-SRI). Loan 2276-SRI was nonetheless analyzed as to its poverty and governance targeting. The supposed replacement for the 10th case, Kathmandu Valley Water Services Sector Development (Loan 2058-NEP), was a project loan already included in the program loan with the same title (Loan 2059-NEP) hence, only nine RRP^s were studied.

²⁰ Loan 1880-VIE, Loan 2008-NEP, Loan 1993-SRI, and Loan 1950-PAK.

²¹ Loan 1993-SRI, Loan 2265-BAN, Loan 1880-VIE, and Loan 1852-TAJ.

²² Loan 2119-AZE and Loan 2059-NEP.

iii. Loan Assurances and Conditions of Contracts

26. ADF VIII and IX projects had more specific assurances in project loans. Assurances under ADF VIII and IX projects dealt with both policy (e.g., preparation of water sector policies, adjustment in water tariffs, O&M measures, compliance to bank's guidelines on environment and involuntary resettlement) and project level measures (e.g., M&E, management and accounting systems, timeliness of activities, etc.). ADF VIII and IX projects had in general more uniform conditions and terms of contracts than those in ADF VI and VII. Most projects under ADF VIII–IX had loan terms of 32 years with grace period of 8 years, while those in ADF VI–VII had varied loan terms of 32, 35, or 40 years and grace period of 8 or 10 years.

iv. Project Costs and ADF Contribution

27. There was a slight increase in average total project cost from \$47 million in ADF VI and VII to \$51 million in ADF VIII and IX. Funding by ADF counterparts remained the same on average: \$34 million in 1992–2000 (ADF VI and VII) and \$33 million in 2001–2006 (ADF VIII and IX). There was a change in ADF VIII and IX in that there were more projects with counterpart funds from other sources, not only donors but also from within the country such as local beneficiaries, local authorities, and community groups. ADF VIII and IX projects also had more micro-credit or microfinance components in projects than ADF VI and VII.²³

b. Project Characteristics

i. Impact and Purpose

28. The prevailing objective of most WSS projects in ADF VIII–IX was essentially the same as that of ADF VI and VII which was to improve the living conditions and public health of people in the project areas. However, there was a minor change in projects under ADF VIII and IX in that objectives evolved from merely improving organization and management (O&M) of WSS agencies in ADF VI–VII to ensuring the financial sustainability and capacities of water supply companies. Notably, although the objectives of projects from both periods did not change, ADF VIII–IX projects had specifically targeted more vulnerable groups than ADF VI–VII.

ii. Components of Projects

29. There were fewer project components in ADF VIII and IX projects compared to those in ADF VI and VII. Although projects from both periods were mostly similar in types of components, those of ADF VIII and IX had greater focus on just two or three of the following components: infrastructure works and environmental sanitation programs, institutional and capacity development, public education and awareness programs, and project implementation assistance.

iii. National/Subnational Policy Development

30. There was continuous attention on national or sub-national policy development in ADF-supported projects in the WSS sector in both periods. In general, the focus was on policy reforms in the water sector, water service delivery, water conservation, water use regulations, governance, capacity building, issues on free drinking water, decentralization, financial and management policies, water resources management, cost recovery, public participation, and

²³ Loan 1950-PAK, Loan 2008 -NEP, and Loan 1880-VIE.

O&M. ADF projects consistently included measures on governance development particularly through regulation, decentralization, private sector participation, and capacity building. At the operational level, governance was focused on establishing efficient and effective procedures, and improving O&M. In ADF VIII and IX, there was more concern provided to ensuring the financial sustainability of water supply companies, and creating viable and autonomous WSS agencies than ADF VI–VII. Most WSS projects in both ADF periods supported the need for national or sub-national policy change in most countries. Policy changes were usually sought to ensure poverty focus on WSS projects, rehabilitate and maintain WSS facilities, improve and strengthen WSS agencies and institutions, and put in place appropriate water policies and legal framework.

iv. Capacity Building

31. Capacity building of government organizations and officers remained a major subcomponent in ADF-supported projects in both periods. Training was invariably provided with respect to O&M, efficient practices in construction management and supervision, planning, engineering, financial capability, budgeting procedures, management information systems (MIS), accounting and management procedures, health and sanitation education, gender training, and M&E, among others. Training was also provided to CBOs, women's groups, and village committees in both periods. These included training on how to manage and sustain rural water supply and sanitation facilities, health and sanitation education, planning of WSS facilities, hygiene education, conservation of water resources, and sanitation improvement. In most subprojects, CBOs were often designated as liaison with the local people in order to take a collective responsibility in project implementation. Meanwhile, training of beneficiaries slightly declined in ADF VIII and IX. Such training included health and sanitation education and awareness programs; understanding of the close interrelationship between hygiene, water, sanitation, and health; education on the need for adequate cost recovery and compliance with local sanitation regulations; appropriate knowledge, attitudes and practices regarding sanitation; water conservation, and water tariffs, among others.

v. NGO Involvement

32. NGO involvement was more prominent in projects under ADF VIII and IX than those in ADF VI and VII. NGOs became more involved in project design, implementation, and M&E.²⁴

vi. Private Sector Development

33. The private sector was more active in WSS projects in ADF VIII and IX. Under ADF VIII and IX, more opportunities were provided for the involvement of private contractors, suppliers, service providers, trainers, and manufacturers through the promotion and exchange of technology, quality equipment and materials, privatization of state equipment, strong civil works and other community services in the construction and O&M of WSS facilities.²⁵

vii. Social Development and Social Protection

34. WSS projects by their nature aim to uplift the living conditions of people through various social programs and benefits. These include improved health conditions through hygiene

²⁴ Loan 1880-VIE, Loan 2208-UZB, Loan 2265-BAN, Loan 1950-PAK, Loan 2059-NEP, Loan 1993-SRI, Loan 2008-NEP, and Loan 2119-AZE.

²⁵ All cases in the ADF VIII and IX sample.

education and awareness programs, increased productivity, and empowerment of poor rural communities. Already in the time of ADF VI and VII, special assistance was provided to the poor and low income groups in the form of micro-credit schemes, subsidized connection fees, and special consideration in subproject selection. In general, ADF projects in the WSS sector supported community development through provision of capacity building programs for CBOs. Poor people were always encouraged to participate actively in community organizations and assist in project implementation.

viii. Gender Relations

35. Women were deemed to be the main beneficiaries of WSS projects. In both periods, women were provided the opportunity to participate in decision making of project-related activities, training on health and sanitation, and given employment opportunities in the activities of the project including access to project sites and hygiene education programs.

ix. Plans included in Project Design

36. WSS projects in ADF VIII and IX included more plans in project design such as summary resettlement framework and plans for core subprojects; gender action plan; ethnic and minorities development framework and plans, and sector investment plan. Under ADF VI and VII, WSS projects usually included only an action plan indicating institutional, financial, and policy reforms for the national WSS sector.²⁶

x. Special Poverty and Governance Components

37. In general, projects in both periods included special measures for poverty targeting. These included installation of standpipe water supplies or community taps in community groups for the lower income consumers, cross-subsidization for the poor households, collective or household-based rainwater harvesting materials for the provision of piped water supply systems, and subsidy of up to 50% for the construction of household latrines.²⁷ ADF projects in both periods had also similar governance measures included in project design covering policy, financial, operational, and institutional aspects of project which, if at all, difficult to distinguish as inherently part of the project.

xi. Involvement of Agencies

38. In ADF VIII and IX, the local governments, the private sector, CBOs, and other village groups were more involved in the implementation of poverty and governance measures in WSS projects, although in general the national governments maintained some sort of supervision or technical assistance. The changing role of the central government from service provider to facilitator and/or provider of technical assistance was evident in ADF VIII and IX with the increased transfer of responsibilities to the local governments, private sector, and CBOs. Although ADF VIII–IX had fewer project components than those of earlier ADF projects, the implementation structures for most ADF VIII and IX projects were still considered complex due to the large number of project implementation units (PIUs) that are required to be established in each of the project areas or localities, or the number of committees that were involved in project implementation.

²⁶ Loan 2208-UZB, Loan 1852-TAJ, Loan 1880-VIE, Loan 2265-BAN, Loan 2008-NEP, Loan 1993-SRI, and Loan 1950-PAK.

²⁷ ADF VI and VII (Loan 1459-FSM, Loan 1389-RMI, Loan 1260-PAK, Loan 1273-VIE, Loan 1755-NEP, Loan 1514-VIE); and ADF VIII and IX (Loan 1880-VIE, Loan 2008-NEP, Loan 1993-SRI, Loan 1950-PAK, Loan 2059-NEP).

xii. Technical Assistance and Consulting Services in Projects

39. ADF projects in the WSS sector always engaged both international and local consultants. The engagement of gender specialists was seldom specified. Consultancy services were employed in the following areas: detailed design and supervision of construction works, conduct of feasibility studies, day-to-day operations and management of project, procurement, environmental assessment, institutional strengthening, and training. ADTA became less in ADF VIII and IX. For most ADF projects in the WSS sector, services provided by TAs were focused on institutional strengthening of WSS agencies, specifically in the improvement of O&M, accountability, and establishment of MIS.

c. Poverty and Governance Study Measures

i. Poverty Monitoring

40. The conduct of poverty monitoring and other beneficiary surveys did not change over the period. However, gathering of baseline information was highlighted more in project documents of ADF VIII and IX. External monitoring of projects was also more prominent in the later period. External monitoring was limited to specific activities such as auditing or resettlement²⁸.

ii. Governance and Project Risks

41. There was a major change in the period of ADF VIII and IX in that projects emphasized more on anti-corruption efforts.²⁹ Projects in ADF VIII and IX also became more concerned about minimizing the influence and dominance of local elites in project implementation.³⁰

iii. Consistency with National Plans and ADB Strategy

42. ADF projects in both periods were consistent with government policies and programs.

3. Summary

a. Agriculture Sector Development

43. ADF VIII and IX projects were more complex compared to earlier ADF VI–VII projects. This is because there were more project loans in ADF VIII and IX compared to ADF VI–VII. In general, there was more focus on vulnerable groups in later projects, consistent with the ambitions of ADF VIII and IX. The cost of projects increased and the proportion of finance from other donors and local sources increased relative to ADF. There was more focus on capacity building for CBOs and continuous attention to improving the capacities of government agencies and beneficiaries. In ADF VIII and IX, consulting services were more favored over ADTA but the nature of assistance which was mostly in capacity and institutional building remained the same. There was in this sector already a practice of consistent involvement of NGOs, CBOs, women, and the private sector under ADF VI–VII and this continued under VIII–IX.

²⁸ Loan 2059-NEP, Loan 2119-AZE, Loan 1880-VIE, and Loan 2208-UZB.

²⁹ Loan 2276-SRI, Loan 2265-BAN, Loan 2059-NEP, Loan 1950-PAK, Loan 2119-AZE, Loan 1852-TAJ, and Loan 2208-UZB.

³⁰ Loan 1950-PAK, Loan 2008-NEP, and Loan 2276-SRI.

b. Water supply and sanitation sector

44. In general, ADF VIII–IX WSS projects sharpened the focus on vulnerable groups with no access to safe and reliable water supply and sanitation facilities. Even when water service delivery became more commercialized in ADF VIII–IX, social measures were invariably included in WSS projects to cater to the low income beneficiaries who cannot afford the installation of piped water supplies and private household sanitation facilities similar to ADF VI–VII WSS projects.

45. Attention for capacity building of government agencies and CBOs was standard practice in both periods although there was a slightly less focus on the training of beneficiaries in ADF VIII and IX than in ADF VI and VII. The focus on gender relations, social and community development, social protection, cooperation among states and provinces towards shared water resources, poverty reduction, and governance reforms remained the same.

4. Conclusion

46. Poverty and governance targeting in ADF-supported projects in the agriculture sector development and WSS sectors increased under ADF VIII and IX. While it appears that the agriculture sector development projects were more complex than the WSS projects with the occasional addition of non-agriculture components such as education and health, there was a slight change toward focusing more agriculture sector development projects on inclusive social development. Invariably, attention was given to governance targeting in the form of national and sub-national policy development and project administration. Most of the policy and governance reforms which were initiated in the earlier ADF rounds were carried through and continuously implemented in more recent ADF projects but with more concern for ensuring that the poor benefit from development.

47. ADF-supported WSS projects became more poverty-focused and in line with the goals of human and social development. In general, although governance targeting was consistently incorporated in projects of both agriculture sector development and WSS sectors, the attention given to anti-corruption efforts and accountability was more visible in the WSS sector than in the agriculture sector development resources sector. There were more attempts to conduct external monitoring of projects in WSS than in agriculture sector development. In line with more accountability in project implementation, there was a greater change toward involving more NGOs and the private sector in WSS projects than in agriculture sector development although generally NGOs and the private sector were already mostly involved in the latter before ADF VIII and IX.

48. The attention and effort given to capacity building of government agencies and CBOs, and gender concerns was similar in both periods. There was increased involvement of local governments, private sector, beneficiaries, and other international and local donors in the financing of ADF projects.

B. Poverty and Governance Targeting in ADF VIII and IX Operations in the Transport and Communications, and Energy Sectors

1. Methodology

49. This section assesses design features of selected projects from (i) the roads and highways subsector, and (ii) the transmission and distribution subsector. All 20 project RRs

classified in these subsectors as approved under ADF VI–VII were selected and all 19 project RRP as approved under ADF VIII-IX. The RRP were assessed using a data checklist/features identified in the SES approach paper. Table 3 provides the details of the sample.

Table 3: Sampling and List of ADF projects

ADF Funding	Roads and Highways		Transmission and Distribution	
	No.	Loan No. and Title	No.	Loan No. and Title
ADF VI–VII	10	<ul style="list-style-type: none"> ○ L 1185-PAK: Provincial Highways Project ○ L1444-KGZ: Road Rehabilitation Project ○ L1659-REG: GMS: Phnom Penh to Ho Chi Minh City Highway Project ○ L1697-CAM: Primary Roads Restoration Project ○ L1700-MON: Second Roads Development ○ L 1478-BAN: Jamuna Bridge Access Roads ○ L1272-VIE: Road Improvement ○ L1377-NEP: Third Road Improvement Project ○ L1775-REG: Almaty-Bishkek Regional Road Rehabilitation Project ○ L1708-BAN: Southwest Road Network Development 	9	<ul style="list-style-type: none"> ○ L1443-KGZ: Power and District Heating Rehabilitation ○ L1730-BAN: Dhaka Power Systems Upgrade ○ L1585-VIE: Central and Southern Vietnam Power Distribution Project ○ L1414-SRI: Second Power System Expansion (Sector) ○ L1492-MON: Energy Conservation ○ L1356-BAN: Rural Electrification ○ L1794-CAM: Provincial Power Supply Project ○ L1532-MAL: Third Power System Development Project ○ L1817-TAJ: Power rehabilitation Project
ADF VIII–IX	10	<ul style="list-style-type: none"> ○ L2206-AZE: East-West Highway Improvement Project ○ L1920-BAN: Road Network Improvement & Maintenance Project I ○ L2097-NEP: Subregional Transport Facilitation Project ○ L1945-CAM: GMS: Cambodia Road Improvement Project ○ L2106-KGZ: Southern Transport Corridor Road Rehabilitation Project ○ L1986-SRI: Road Sector Development Project ○ L1952-BAN: Rural Infrastructure Improvement ○ L2062-TAJ: Dushanbe-Kyrgyz Border Road Rehabilitation Project (Phase I) ○ L1893-PAK: Road Sector Development Program (Sector) ○ L2021-BAN: Road Network Improvement & Maintenance Project II 	9	<ul style="list-style-type: none"> ○ L 2303/L2304-REG: Regional Power Transmission Interconnection (AFG & TAJ) ○ L2261-CAM: Second Power Transmission & Distribution ○ L2005-LAO: Northern Area Rural Power Distribution ○ L2052-CAM: Greater Mekong Sub-region Transmission Project ○ L2290-PAK: Power Transmission Enhancement Investment Program ○ L2009-BHU: Rural Electrification and Network Expansion ○ L2165-AFG: Power Transmission and Distribution ○ L1884/L1885-BAN: West Zone Power System Development ○ L1976/L1977-REG: Regional Power Transmission Modernization (Tajikistan and Uzbekistan)

i. Project Targeting

50. In ADF VIII–IX, Power project investments were equally classified as means for general (four out of nine projects) and poverty intervention (four out of nine projects). The classification for road and highway investments leans more towards poverty interventions (six out of 10 projects).³¹ This may be due to the fact that roads and highways were often part of a sector program to reduce poverty. Almost all road investments aimed to improve access of poor rural districts and remote areas by connecting infrastructures to larger growth centers. Through this, the spill-over effects of economic opportunities would also reach low growth centers in terms of local employment, micro-enterprises, movement of agricultural trade and labor and bringing better access of the poor to basic services. In ADF VI–VII, only one out of 9 energy projects specified poverty targeting, while none of the 10 roads and highways projects mentioned project targeting.

³¹ The power projects have four out of nine projects each classified under general and poverty intervention. While only two out of 10 projects have general intervention classification and six specifically under poverty intervention.

ii. Project Cost and Components Distribution

51. Based on the review, ADF VI–VII and ADF VIII–IX projects in both sub-sectors have civil-works as the main component. The RRP's stated that such infrastructure components/investments are crucial building blocks to achieve desired economic development. Table 4 compares ADF VI–VII and ADF VIII–IX projects in the roads and highways sub-sector.

Table 4: Project Cost and Component Distribution: Comparison between ADF VI–VII and ADF VIII–IX

Items	ADF VI-VII Estimated Cost	ADF VIII-IX Estimated Cost	Observation
Base cost	Ranges from \$21M–\$116.9 M; Average: \$84.95M; Total: \$764.51M	Ranges from \$19.8M–\$213.18 M; Average: \$88.979M; Total: \$889.79M	Base cost has increased in ADF 8–9 compared to ADF 6–7
Soft components (estimate)	Ranges from \$1.8M–\$46.2M; Average: \$13.04M; Total: \$130.39M	Ranges from \$1.6M–\$10.44 M; Average: \$9.7M; Total: \$97.77M	Soft components have decreased in ADF 8–9 compared to ADF 6–7
Civil works	Ranges from \$23.2M–\$152.76 M; Average: \$90.8M; Total: \$908.06M	Ranges from \$16.11M–\$202.36 M; Average: \$73.97M; Total: \$739.77M	Civil works components have decreased in ADF 8–9 compared to ADF 6–7
Goods/materials components (estimate)	Ranges from \$2M–\$11.1 M; Average: \$5.22M; Total: \$26.1M (5 projects did not indicate estimate for this component)	Ranges from \$0.2M–\$5.6 M; Average: \$1.83M; Total: \$12.82M (5 projects did not indicate estimate for this component)	Goods, materials, equipment components have decreased in ADF 8–9 compared to ADF 6–7
Microfinance components	all projects has no estimates on this component	all projects has no estimates on this component	No micro-finance components are present in both batches
Land Acquisition and Resettlement	Ranges from \$0.5M–\$36.5 M; Average: \$11.15M; Total: \$66.9M (4 projects did not indicate an estimate of this component)	Ranges from \$1.2M–\$8.0 M; Average: \$3.05M; Total: \$21.4M (3 projects did not indicate estimate for this component)	Cost of Land Acquisition and resettlement has decreased significantly in ADF 8–9 batch compared to ADF 6–7

iii. Transmission and Distribution Subsector

52. In ADF VI–VII and VIII–IX projects, three main project components are very distinct: (i) technical/infrastructure components, (ii) capacity/institutional building components and (iii) social component (rural electrification) components.

Table 5: ADF VI–VII and ADF VIII–IX Main Project Components

	ADF VI-VII	ADF VIII-IX
Technical/Infrastructure (hard)	9/9	9/9
Capacity Building	8/9	9/9
Social Component (rural electrification)	5/9	5/9

53. The major components are for infrastructure and are complemented by capacity building. In both batches, capacity building components were to improve the financial and operational viability of the implementing institutions. However, in ADF VIII–IX, the projects also incorporated elements of ADB's good governance initiative, ADB's strategy to improve the financial performance and viability of the power sector. They also encouraged private sector participation more. Several ADF VIII–IX batch added components for benefit monitoring, resettlement, environmental management and compensation programs (L2005-LAO: Northern

Area Rural Power Distribution, L2052-CAM: Greater Mekong Sub-region Transmission Project, and L2290-PAK: Power Transmission Enhancement Investment Program).

iv. Pro-poor Growth

54. ADF VIII–IX projects for both sub-sectors have included efforts to support pro-poor growth through basic road and power services. Direct targeting of the poor was in evidence as well. Most ADF VIII–IX projects employed social surveys and assessments to identify and select project sites that focused on benefits for populations under certain poverty conditions/criteria. Sixty seven percent of the power projects investigated explicitly targeted poor consumers, households, districts and rural as beneficiaries. For the roads and highways, 90% of the projects aimed to benefit the general road users by means of reduced transport cost and pollution. This in effect would reduce the vulnerability of the commuting public comprised mainly of the poor. About 40% of the road projects targeted poor districts, villages and households. To evaluate project impacts to the poor, special poverty monitoring features were in place in almost all ADF VIII–IX projects (eight out of 10 in roads and nine out of nine in power). Table 6 provides more details of the discussion above.

Table 6: Overview of Poverty Related Features in the RRP for ADF VIII and IX

Criteria	Road and Highways (N= 10)	Transmission and Distribution (N=9)
Theme classification	<ul style="list-style-type: none"> ▪ Sustainable Economic Growth, Regional Cooperation (3) ▪ Economic growth (4) ▪ Economic Growth, Private Sector Development (1) ▪ Economic growth, Gender and Development (1) ▪ not classified – (1) 	<ul style="list-style-type: none"> ▪ Sustainable Economic Growth & Regional Cooperation (2) ▪ Sustainable Growth & Capacity Development (2) ▪ Economic growth (3) ▪ Economic growth & governance (1) ▪ Economic growth, Private Sector Development and Regional (1)
Intervention	<ul style="list-style-type: none"> ▪ General Intervention (2) ▪ Poverty Intervention (6) ▪ not classified (2) 	<ul style="list-style-type: none"> ▪ General Intervention (4) ▪ Poverty Intervention (4) ▪ not classified (1)
Main Project components	Common components are: (i) civil works (10); (ii) Institutional and capacity development (6); (iii) Private sector development (3); governance (3); (iii) road safety and road maintenance (2); Human trafficking (2); Policy (2) and (iv) TA component (1); resettlement (1); Poverty reduction monitoring (1)	The most common components identified by all nine projects include: (i) infrastructure development (large –all nine projects), (ii) rural electrification or small rural T&D infrastructure development (5), (iii) institutional and capacity building of EAs/government (9)
Presence of complementary poverty reduction programs from the government	All 10 projects were implemented in line and in complementarity with the government's national programs targeted to reduce poverty.	Six out of nine projects have presence of complementary poverty reduction programs from the government, such as: <ul style="list-style-type: none"> ▪ Power Sector Reforms Program(1) ▪ Renewable Energy initiatives (2) ▪ Rural electrification programs (3) ▪ As part of the government integrated Northern Poverty Reduction Strategy in Laos (1) ▪ Afghan Reconstruction Program (1)
Beneficiaries Target	The projects generally describe the beneficiaries as the various categories of	The projects generally identified beneficiaries including the government

	<p>road users, owners/operators of buses and trucks, passengers, cargo owners, and the population in the Project area. Four out of 10 has special poverty targeting of poor beneficiaries in rural or poor districts. Five out of 10 projects provided an estimate of the project's beneficiaries, which totaled to about 9.562 M.</p> <ul style="list-style-type: none"> ▪ L2206-AZE: East-West Highway Improvement Project (261,000 poor people) ▪ L1945-CAM: GMS: Cambodia Road Improvement Project (rural) ▪ L2106-KGZ: Southern Transport Corridor Road Rehabilitation Project (67,000 people, including about 38,000 poor) ▪ L1952-BAN: Rural Infrastructure Improvement (5.9 million people, about 50% of whom are poor) 	<p>(particularly government power utilities such as EdL in Laos, National Transmission and Despatch Company (NTDC) in Pakistan, EDC in Cambodia, etc), residential, agricultural, commercial and industrial consumers; and for regional projects, business enterprises and the regional population benefiting from improved supply of electricity and cost reduction. Four out of 9 projects specifically targeted beneficiaries from poor villages, households, districts and rural towns.</p> <ul style="list-style-type: none"> ▪ L2005-LAO: Northern Area Rural Power Distribution (342 villages ` 33,800 households) ▪ L2009-BHU:Rural Electrification and Network Expansion (8,000 households in 8 poorest districts) ▪ L2165-AFG:Power Transmission and Distribution (1.2 M ~ 90,700 households in 11 rural towns) ▪ L1884/L1885-BAN: West Zone Power System Development (500,000 customers)
Baseline (beneficiary) survey to be done	All 10 projects either had done baseline survey or will conduct survey to establish baseline for the projects. Out of the 10 projects, six have either PPTA or preliminary social survey done for the project ; will establish PPMS (six projects) or BME (two projects)	Seven out of 9 have baseline surveys conducted, which will be followed up during project implementation (M&E) and impact assessment.
Poverty Monitoring	Eight out of 10 projects will in place poverty monitoring program as stand alone survey to monitor resettlement plans or as part of the project's PPMS.	All nine projects have included poverty monitoring

v. Road and Highways Subsector

55. Seven out of 10 ADF VIII–IX projects reviewed under the road and highways sub-sector have direct objectives of reducing poverty through improved road and highways infrastructure. Table 7 shows the list of projects which have defined explicit poverty oriented purposes and impacts.

Table 7: Projects with Poverty-Oriented Purpose/Impacts

No.	Loan No. and Title	Poverty-Oriented Purpose/ Outcomes	Poverty oriented Aim/ Impacts
1	L1920-BAN:Road Network Improvement & Maintenance Project I	<ul style="list-style-type: none"> ▪ improve sub national roads to provide rural farmers with better access to markets, social services, and employment opportunities 	<ul style="list-style-type: none"> ▪ Economic development and poverty reduction through improved transport efficiency and strengthened integrated road networks linking national, regional, and feeder roads

2	L1945-CAM: Cambodia Road Improvement Project	GMS: Road	<ul style="list-style-type: none"> ▪ promote economic growth at sub regional and national levels by reducing the cost and increasing the reliability of transport, including transport for tourism, which is a major growth industry ▪ reduce poverty by providing all-year, all-weather access to employment opportunities, markets, and growth centers ▪ improve social conditions by providing all-year, all-weather access to education and health ▪ strengthen the domestic road-contracting industry by providing opportunities in road construction and maintenance 	<ul style="list-style-type: none"> ▪ Promote economic and social development in the project area of influence and promote general economic growth at national and sub regional levels ▪ Mainstreaming Poverty Reduction Approaches into the National Road Network (presented as a special feature of the project, see footnote 5)
3	L2106-KGZ: Transport Road Rehabilitation Project	Southern Corridor	<ul style="list-style-type: none"> ▪ Improve transport efficiency by reducing transport costs to international and domestic road users, and by improving access to markets and social services for people in the project area. Project is expected to benefit about 67,000 people, including about 38,000 poor. 	<ul style="list-style-type: none"> ▪ Promote sustainable economic growth in the region and project area, thereby reducing poverty, by increasing regional trade and cooperation.
4	L1952-BAN: Infrastructure Improvement	Rural	<ul style="list-style-type: none"> ▪ improve rural roads ▪ improve rural infrastructure such as growth center markets, boat landings, ferries, and union council office complexes 	<ul style="list-style-type: none"> ▪ Reduce rural poverty in 16 districts of southwest Bangladesh
5	L2062-TAJ: Kyrgyz Border Road Rehabilitation Project (Phase I)	Dushanbe-Kyrgyz Border Road	<ul style="list-style-type: none"> ▪ reduce transport costs on the Dushanbe-Kyrgyz border road ▪ provide agricultural and industrial enterprises with all weather access to markets within the country, and eventually abroad ▪ improve access of the rural poor population to market opportunities, other economic activities, and social services by improving rural roads ▪ other economic activities, and social services by improving rural roads 	<ul style="list-style-type: none"> ▪ Reduce poverty and promote sustainable economic growth in the project area,
6	L1893-PAK: Road Sector Development Program (Sector)	Road	<ul style="list-style-type: none"> ▪ Initiate a road sector reform process in Sindh that will incorporate social development, environmental management, and poverty reduction parameters into road infrastructure development. The rural access roads subcomponent will improve and rehabilitate about 1,200 km of high-priority rural access roads that follow existing roads and tracks, from earth to all-weather, and appropriate serviceability standards. As the PSDP takes a sector approach, core rural access sections will be selected from three disadvantaged districts. 	<ul style="list-style-type: none"> ▪ Improve management of provincial and rural access roads network, thereby reducing rural poverty and contributing to national economic growth.
7	L2021-BAN: Road Network Improvement & Maintenance Project II	Road	<ul style="list-style-type: none"> ▪ improve national, regional, and district roads to provide rural farmers with better access to markets, social services, and employment opportunities, to provide better access to the border point in Banglabandh, and to complete some missing links in the main road network 	<ul style="list-style-type: none"> ▪ Economic development and poverty reduction through improved transport efficiency

56. The 10 road projects reviewed for ADF VIII–IX did not often mention special poverty activities beyond the main activities of the projects. However, they were observed to be selected based on criteria relevant to reducing poverty, such as selecting project sites where there is: (i) high poverty incidence; and (ii) high potential of the road to increase access to basic services, to increase flow of tradable goods, increase commercial activities (esp. in agriculture) and services—which in turn can stimulate job creation. In the case of L1945-CAM: GMS: Cambodia Road Improvement Project, a JFPR mainstreamed poverty reduction approaches into the National Road Network.³²

57. The majority of the projects under ADF VIII–IX had conducted a preliminary baseline survey which used poverty assessments to identify the areas and beneficiaries. Project designs of this sub-sector seemed to have fully considered: (i) areas that are poor and dependent on road transport for access to basic services, (ii) benefits of reducing transport cost of road users, (iii) recruitment of labor from the project area to build roads, (iv) roads construction/rehabilitation in areas that would link farmers to market in order to support production and trade, (v) provisions to employ women in the construction of roads, and (vi) rural access roads that are especially designed to accommodate rural transport.

58. Poverty related add-ons were not obvious from the project designs in this sub-sector, except in three distinct cases below:

- i. L1945-CAM: GMS: Cambodia Road Improvement Project: Under the project's civil works, additional roads traversing farm villages would be constructed along Thmor Pouk and Banteay Chhmar on NR56, and Chong Kai and Srei Snam on NR68;
- ii. L1893-PAK: Road Sector Development Program (Sector): a rural access roads sub-component was said to improve and rehabilitate about 1,200 km of high-priority rural access roads that follow existing roads and tracks, from earth to all-weather, and appropriate serviceability standards;
- iii. L2021-BAN: Road Network Improvement & Maintenance Project II: An earlier ADB supported project in the sector, the Road Overlay and Improvement Project, approved in 1993, improved Dohazari-Cox's Bazar road, which is an important link between Cox's Bazar and Dhaka. However, the 26.2 km from Chittagong to Dohazari and the 3.2 km of bypass in Kaliakoir, which had been included in the Jamuna Bridge Access Roads Project, were excluded from the scope of that project due to insufficient funds, and were in such poor condition that benefits from past road improvements could not be fully realized. These missing links, considered major road networks, had become serious bottlenecks and implied substantial economic losses. The project completion report on Road Overlay and Improvement Project (prepared in 2002) recommended that the Government would seriously consider improving the Chittagong-Dohazari road. The recommendation was also consistent with the national land transport policy prescribing the completion these links. For this reason, the Road Network Project consequently would help improve the (i) 26.2 km of national roads in Chittagong-Dohazari, and (ii) 3.2 km of national roads in Kaliakoir Bypass.

³² JFPR 9048-CAM: Mainstreaming Labor-based Road Maintenance to the National Roads Network. Approved on 17 June 2004 (\$2.2 M).

vi. Transmission and Distribution Sub-sector

59. ADF VIII–IX projects reviewed were all classified under the theme of economic growth, but were stated to address poverty reduction as well. Seven out of nine projects reviewed were designed with the objectives to reduce poverty. Table 8 illustrates project objectives and impacts of these seven projects:

Table 8: Poverty-targeted Purpose and Impacts of ADF VIII-IX Projects under Transmission and Distribution Sub-sector (N=9)

No.	Loan No. and Title	Poverty-oriented Purpose/ Outcomes	Poverty-oriented Aim/ Impacts
1	L 2303/L2304-REG: Regional Power Transmission Interconnection (AFG & TAJ)	<ul style="list-style-type: none"> ▪ increased power export and income generation capacity of Tajikistan by increasing the capacity of its south grid hydropower generation ▪ restored power supply and reduced cost for consumers in Afghanistan 	<ul style="list-style-type: none"> ▪ Enhance regional cooperation in the power sector through transmission interconnectivity ▪ Specific assurance of the loan included that governments ensure tariffs are adequately adjusted. a lifeline tariff structure has been reviewed in the medium term in order to provide an element of tariff subsidy to the poor; and public awareness programs are undertaken to educate the public on the need for a rational electricity tariff scheme and the importance of energy conservation.
2	L2261-CAM: Second Power Transmission & Distribution	<ul style="list-style-type: none"> ▪ reducing electricity cost ▪ reducing distribution losses 	<ul style="list-style-type: none"> ▪ Extended, reliable, adequate and affordable electricity supplied by the national power grid in the region. Improvement of quality of power supply in the southern region ▪ Rural villages and communities close to the transmission line that are currently not served will also be supplied with electricity.
3	L2005-LAO: Northern Area Rural Power Distribution	<ul style="list-style-type: none"> ▪ extend the transmission and distribution system in northern rural areas to provide electricity to rural low-income communities, and to improve their living standards and economic condition 	<ul style="list-style-type: none"> ▪ Extend electricity to poor rural areas that have potential for socioeconomic development to improve rural living standards and economic conditions
4	L2052-CAM: Greater Mekong Sub-region Transmission Project	<ul style="list-style-type: none"> ▪ to promote the provision of sustainable and reliable electricity at affordable prices to consumers in Phnom Penh and along the transmission corridor; ▪ to enhance accessibility to power by the poor by promoting a pro-poor policy environment in the sector. ▪ provision of 22-Kilovolt Bulk Supply Distribution Component for rural households 	<ul style="list-style-type: none"> ▪ To stimulate trade and economic growth in the sub region and to promote poverty reduction in Cambodia
5	L2009-BHU:Rural Electrification and Network Expansion	<ul style="list-style-type: none"> ▪ expand the delivery of electricity from existing national hydropower stations as an important and necessary input for rural 	<ul style="list-style-type: none"> ▪ Improved quality of life for rural residents in Bhutan.

		residents in Bhutan to improve their living standards, conditions for education, and health service delivery; and	
		<ul style="list-style-type: none"> ▪ Provide opportunities for the rural poor to increase their economic productivity, thus creating jobs and income. 	
6	L2165-AFG:Power Transmission and Distribution	<ul style="list-style-type: none"> ▪ Improved power supply in the northern, eastern, and southern areas. ▪ electrification kits to 18,000 poor households, 	<ul style="list-style-type: none"> ▪ Improved and cost-effective power supply to all consumers
7	L1884/L1885-BAN: West Zone Power System Development	<ul style="list-style-type: none"> ▪ increase electrification in southwest Bangladesh; ▪ Reduce losses, improve reliability, and expand the capacity of the transmission and distribution systems in southwest Bangladesh. 	<ul style="list-style-type: none"> ▪ Provide electricity to the district towns and villages in southwest Bangladesh, a relatively poor area of the country.

60. Most project beneficiaries in this sector are referred to as “consumers”. However, the expanded scope of the beneficiaries includes government, government owned power utilities, business enterprises, private and urban sector and regional. Poverty targeting is evident in ADF VIII–IX projects in the sector, most especially on projects with rural electrification or distribution component. These projects (five out of nine) explicitly target poor beneficiaries, remote rural areas and/or areas identified as strategic poverty areas. Special poverty components were also present in some of the projects under ADF VIII–IX. Poverty add-ons can be identified on the basis of smallness of size of components, particularly if the infrastructure caters to provide rural electrification as part of its larger infrastructure components which are directed at improving the national grid, or, if small medium to low transmission lines are constructed in areas remote from the main subprojects. Cases of special poverty add-ons, are the following:

(i) **Special Poverty Activities**

- L2261-CAM: Second Power Transmission & Distribution—provision of \$ 2.71M for medium and low-voltage distribution to poor rural households;
- L2052-CAM: Greater Mekong Sub-region Transmission Project—provision of 22-Kilovolt Bulk Supply Distribution Component for rural households;
- L2165-AFG:Power Transmission and Distribution—provision of Asian Development Fund (ADF) IX grant of \$23.5 million will assist Afghanistan in the transition from a post-conflict situation to peace and stability; and
- L1884/L1885-BAN: West Zone Power System Development—integration of electricity connection to over 500,000 additional consumers, of which includes a significant portion from the rural areas as part of its component C for the Rural Electricity Board.

(ii) **Suspected Add-ons**

- L2261-CAM: Second Power Transmission & Distribution—construction of a 22kV and 400 V distribution lines are erected to serve the villages along the transmission line corridor;
- L2052-CAM: Greater Mekong Sub-region Transmission Project—the bulk supply distribution component of the project mainly targets poor beneficiaries that are close to the transmission lines;

- L2165-AFG: Power Transmission and Distribution—the Project provides electrification kits to 18,000 poor households, which includes a standard meter, two compact fluorescent lights, and a double power point. Kit users have immediate access to electricity, with a flexible payment option levied through the kit tariff (repayment over a period rather than upfront). Also, an ADF grant is attached to the project to assist Afghanistan in the transition from post -conflict situation to peace and stability;
- L2009-BHU: Rural Electrification and Network Expansion—the project distributes free electrification kits to approximately 3,450 households who met the poverty criteria set by the project; and
- L1884/L1885-BAN: West Zone Power System Development—it seems that the component C of the project provides this add-on for poverty targeting because it is designed to service the rural poor and development of the rural electric cooperatives. The smallness of the component compared to other project components A and B, provides the idea that it is an add-on.

a. Good Governance

i. Roads and Highways Subsector

61. All 10 project RRP's investigated under ADF VIII–IX had considered the inclusion of governance provisions, mostly aimed to improve project governance. Among the 10, nine provided clear governance activities/or statements to reflect features of good governance. For example:

- L2206-AZE: the project would improve governance in the road sub sector by strengthening RTSD's capacity for road maintenance, axle-load control, road safety, and project management and implementation; improve the legislation and regulations on road safety; develop road accident monitoring, reporting, and information systems (Increased effectiveness and efficiency, accountability and transparency).
- L1920-BAN: procurement activities would be subject to an independent performance audit to ensure transparency and objective and independent assessment of such activities.
- L2097-NEP: the Project would enhance governance capacity by providing facilities of fast and transparent customs clearance and reducing opportunities of financial irregularities.
- L1945-CAM; the Project would do institutional strengthening in the road sector, e.g., improving asset management and transparency; establishing effective road maintenance management and road maintenance financing systems.
- L2106-KGZ: the Project design was discussed in detail with local government officials and representatives of the affected communities to improve transparency; the project would also create and sustain a corruption-free environment by abiding by the relevant provisions of ADB's Anticorruption Policy. Two advisory TAs were attached to help the project for improving road maintenance and strengthening the transport corridor management department.

- L1986-SRI: the Project would promote high standards of transparency and cost-effectiveness in procurement by RDA through putting up a RDA website for e-procurement activities, provision of information about upcoming tenders, and disclosure of tender awards. The Project would also conduct project evaluation to evaluate transparency, efficiency, and cost effectiveness of RDA's arrangements and procedures for procuring civil works from the private sector, and their adequacy for supporting development of a competitive domestic road contracting industry.
- L1952-BAN: the Project would improve local governance by giving training in local government issues, planning, financial management, administration, and participatory methodologies.
- L2062-TAJ: the Project committed to apply ADB's Anti-corruption Policy. The Policy was explained to the officials of the Government during project processing. The Government is committed to creating and sustaining a corruption-free environment, and has agreed to abide by the relevant provisions of ADB's Anticorruption Policy in preparing all documents and contracts during the bidding process and during implementation of the Project; use of independent auditor.
- L1893-PAK: the Project would promote a reform process in the national and provincial road agencies by rationalizing staffing, developing standard operating procedures, enhancing staff accountability in project management public awareness and stockholder consultation and adherence to ADB Anti-corruption policy.
- L2021-BAN: all procurement activities would be subject to an independent performance audit to ensure transparency and objective and independent assessment of such activities. The performance audit will be conducted twice during implementation by the international private sector auditors appointed by the Office of Comptroller and Audit General in consultation with RHD. The auditors will also conduct random or spot audits for contract implementation activities under the civil works contracts.

ii. Transmission and Distribution Subsector in ADF VII–IX

62. ADF VIII–IX projects in transmission and distribution also made explicit various governance provisions. RRP generally reflected that Governments/EAs adopted ADB policy on good governance and anti-corruption. Aside from adopting the usual ADB accounting and financial standards, projects added provisions to engage external and independent auditors, especially on procurement and audit.³³ Several projects made special efforts to provide capacity building to improve the EAs financial and operational management capacity, or to improve power utilities' performance and financial standing. Several projects mainstreamed capacity development in their components, from the perspective that improved capacity was a prerequisite for successful structural reforms, enhanced institutional/financial performance and better management systems. Capacity development components included skill development in areas like (i) project implementation and management, (ii) technical operation and maintenance, (iii) accounting, (iv) financial and economic management, (v) financial reporting, (vi) contracting,

³³ For example, In projects like L 2303/ L2304-REG: Regional Power Transmission Interconnection (AFG & TAJ) and L1976/L1977-REG: Regional Power Transmission Modernization (TAJ and UZB)—loan assurances promoting governance include conditions where in the EAs will provide adequate funds for independent annual audits, establishment of project steering committee (PSC), use of independent auditor and establishment of website on project information, specially in procurement, financial, operations.

(vii) procurement, and (viii) inventory management. Several projects had advisory TAs (ADTA) focused on reforms and capacity development (Table 9).

Table 9: Projects with ADTAs on Reforms and Capacity Development

Loan	ADTAs
L 2303/L2304-REG: Regional Power Transmission Interconnection (AFG & TAJ)	TA 4908-AFG: Strengthening Corporate Management of Barki Tajik TA 4909-AFG: Improving the Capacity of the Afghanistan Electricity Authority
L2009-BHU: Rural Electrification and Network Expansion	TA 4189-BHU: Establishing the Druk Hydropower Corporation TA 4188-BHU: Capacity Building of the Bhutan Electricity Authority
L2165-AFG: Power Transmission and Distribution	TA 4579-AFG: Power Transmission and Distribution
L1884/L1885-BAN: West Zone Power System Development	TA 4626-BAN: Corporatization of the Bangladesh Power Development Board

ADTA = advisory technical assistance, TA = technical assistance.

63. There was an increased effort of projects to improve private sector participation and government ownership, by including loan assurances to enhance respective policies on road-maintenance management which engaged government's budget commitments or involvement of private sectors as partners.

64. More evolved monitoring and reporting systems (more than just BME), in the form of Management Information Systems and website development were evident in projects, thus improving accountability and transparency of the projects' operation and performance (e.g., L1976/1977-REG).

65. All nine RRP's highlighted commitment to good governance by either (i) explicitly providing a paragraph on governance and anti-corruption (three cases); (ii) including a governance dimension in the loan assurances (two cases); (iii) adding capacity building components aimed at improving financial, operational capacities and mitigating transmission and distribution losses (five cases); (iv) attaching TAs to improve corporate governance and supporting sector reform (three cases); (v) developing MIS or a website (two cases); or (vi) independent monitoring and financial accounting.

b. Private Sector Development

i. Roads and Highways' Subsector

66. Eight out of the 10 ADF VIII–IX projects reviewed in this sub sector had provisions for private sector development. These included: (i) contracting domestic contractors for Routine Road Maintenance Component (L1920-BAN), (ii) privatization of operation and maintenance of the new ICD (L2097-NEP), (iii) promotion of private sector participation by strengthening the domestic road contracting industry through provision of opportunities to bid on road construction and maintenance (L1945-CAM), (iv) promoting private-sector-led economic growth (L2106-KGZ), (v) transferring the provision of national roads to the private sector in certain stages (L1986-SRI), (vi) provision of a time-bound action plan to increase private sector participation in road construction and periodic maintenance (L1952-BAN), (vii) increasing the role of the private sector in provincial road maintenance mechanisms (L1893-PAK), and

(viii) privatization of the Roads and Highways Department's plant and equipment and workshop function (L2021-BAN).

ii. Transmission and Distribution Subsector

67. Private sector development had been promoted in four out of the nine transmission and distribution projects reviewed in this sub sector:

- L2303/L2304-REG: Regional Power Transmission Interconnection (AFG & TAJ)—the RRP included private sector participation as a special feature. In the ADF portion of the project for Afghanistan, the effects provided by the improvement of the EAs institutional capacity in operation and financial would trigger interest for private sector participation. The project is to benefit the private sector by reducing operational, regulatory, and policy uncertainties. Private sector participation will take two forms: (i) large-scale involvement (not necessarily direct equity investment) in generation to supply base load for Kabul or other main cities, and (ii) small-scale generation and distribution (by domestic entrepreneurs) in isolated rural areas. On the OCR) portion of the project for Tajikistan, the Project provides an incentive for private sector participation in the electricity transmission and distribution sub sector in the form of an export market to Afghanistan and further to Pakistan.
- L2261-CAM: Second Power Transmission & Distribution—the project would assist rural electricity enterprises in expanding their business and connecting more rural customers by building distribution facilities.
- L2052-CAM: Greater Mekong Sub-region Transmission Project—the capacity building would support Electricité du Cambodge (EDC) in mobilizing private providers in the Project area, help them apply for licenses and access the capital funds necessary for investments in low-voltage supply. EDC would provide the rural electricity enterprise (REEs) with a medium voltage supply to provide electricity in rural areas along the transmission route and promote private sector participation.
- L2290-PAK: Power Transmission Enhancement Investment Program—the ADF component does not explicitly refer to private sector development, but it can be seen as support to develop the capacity of NTDC to achieve the sector's greater target of increasing private sector development. A support component is an integral part of the proposed Investment Program. This component will strengthen NTDC's project (i) planning, (ii) design, (iii) implementation, (iv) operations, and (v) monitoring capabilities.
- L2165-AFG: Power Transmission and Distribution, private sector development in the energy sector was explicitly considered part of the design, and the on-going policy dialogue which highly supports the project's target of improving private sector participation. Private sector participation will take two forms: (i) large-scale involvement (not necessarily direct equity investment) in generation to supply base load for Kabul or other main cities, and (ii) small-scale generation and distribution (by domestic entrepreneurs) in isolated rural areas. Private sector investment is seen as the only viable option to quickly electrify large parts of the country.

c. Social Development and Social Protection

i. Roads and Highways' Subsector

68. All 10 projects under ADF VIII-IX had subcomponents supporting either social development or social protection. As for social development, the projects were seen to: (i) improve access to social services (5) and employment (2); (ii) increase road safety (2); provide trainings to improve public awareness and participation from communities (7). In terms of social protection, special features were included in the projects, such as: (i) provision of HIV program and awareness (2); (ii) adoption of environmentally sensitive designs and provision of sound environmental management, impact monitoring, evaluation and mitigation to protect people and the environment from any adverse impact of the project (3); (iii) compliance to existing labor laws (6), (iv) provision of Resettlement Plans which assure the compensation of affected persons and address social issues relevant to resettlement impacts (6), (v) formation of grievance redress committees³⁴ (1) and use of consultation process and community participation (7) to increase transparency in projects.

69. Six out of 10 projects mentioned compliance with ADB's Policy on Involuntary Resettlement and/or have referred to ADB's Handbook on Resettlement. One out of the 10 referred to ADB's Social Protection Strategy.

ii. Transmission and Distribution Subsector

70. All 9 projects incorporated social development/ social protection provisions, which took the following form: (i) loan assurances/special features (five cases), (ii) resettlement plan/frameworks (four cases), (iii) indigenous people development frameworks³⁵ (one case) and (iii) attached TA³⁶ for poverty analysis and protection of the poor against tariff increases (one case).

71. Projects' loan assurances make sure that social safeguards are complied with by the implementing agencies. The usual safeguards or social protection featured in ADF VIII-IX projects include: (i) HIV/AIDS awareness and prevention campaign, (ii) special program for women on livelihood and capacity development, (iii) mandatory provisions on health, sanitation, and appropriate working conditions for laborers; (iv) provision requirements that the contractor comply with all applicable labor laws; (v) equal employment opportunities for women; and (vi) appropriate child-care facilities in campsites with women employees, as part of the civil work contracts. Projects often had the provision that contractors should not pay male and female employees or laborers unequal wages for the same work, whereas child labor would not be permitted.

³⁴ L1920-BAN: Road Network Improvement & Maintenance Project I will establish a grievance redress committee (GRC) at each project road link when resettlement plan implementation starts. The GRC will comprise key stakeholders, including representatives of the affected people and will be chaired by the union parish committee member.

³⁵ Some indigenous people will be affected for tranche one subprojects of L2290-PAK: Power Transmission Enhancement Investment Program, however, a full IPDP was developed in case future tranches will meet such issue.

³⁶ For L 2303/L2304-REG: Regional Power Transmission Interconnection (AFG & TAJ).

d. Gender Development

i. Roads and Highways' Subsector

72. All 10 projects had made special provisions for gender development, through: (i) promoting women's participation in activities to monitor project impacts on local communities; (ii) coordination with representatives of vulnerable women's associations in the project area to identify practical and effective modalities to ensure their involvement; (iii) providing gender equity in the construction contracts to ensure that women employed in road construction activities will receive comparable pay for comparable work; (iv) organizing and involving women labor contracting societies in project activities like earthwork and maintenance (L1952-BAN, L1920-BAN); (v) integrating gender analysis in the project; (vi) providing monitoring on gender-related issues and concerns; (vii) consultation with local women associations (L2062-TAJ); (viii) ensuring priority in employment of disadvantaged women or women whose head of households or husbands were killed or severely disabled in the civil war (L2062-TAJ); and (ix) providing cash assistance for female-headed households and other vulnerable households in the RP (L2021-BAN). Two projects referred explicitly to the ADB's Policy on Gender and Development in the sample.

ii. Transmission and Distribution Subsector

73. Gender development in RRP for transmission and distribution projects were usually presented in the form of: (i) a listing of benefits for women (four cases), (ii) a special program to improve women livelihood and capacity development (two cases), (iii) women participation in the design stage of the project (one case) and (iv) integrating a gender analysis and strategy in projects (one case).

74. The main benefit stated is that provision of electricity lessens the drudgery of poor women in doing manual food preparation and processing, thus improving women's time for children and other social/economic activities. With the advantage of better lighting, women can spend their spare time on education or other vocations.

75. Other special programs/activities for women mentioned include: (i) special livelihood assistance for women headed household; (ii) provision of funds³⁷ for women and minorities to restore their economic activities and livelihood due to resettlement; (iii) access to credit and agricultural extension for women and ethnic minorities; (iv) active involvement of women, ethnic minorities, and poor households in resettlement planning, implementation and monitoring; and (v) establishment of complaints and grievances lodged by women, ethnic minorities, and poor households.

e. Drug/Human Trafficking

i. Roads and Highways' Subsector

76. Six out of the 10 roads projects reviewed for ADF VIII–IX had sub-components for controlling drugs and human trafficking: (i) provision of inspection equipment at the border of Red Bridge and capacity building for officers serving at the border will greatly assist in preventing drug and human trafficking (L2206-AZE); (ii) supplementary support for existing

³⁷ The fund will assist up to 200 project-affected women and poor minorities.

NGO activities in the sub-project sites including orienting and sensitizing project personnel of Department of Roads, border police, custom officers and local NGOs on human trafficking (L2097-NEP); (iii) addressing some of the negative aspects of cross-border traffic (e.g., HIV/AIDS, drugs, and human trafficking)(L1945-CAM); (iv) provision of ADTA (L2106-KGZ); (v) creation of employment opportunities to significantly reduce vulnerability, migration, and trafficking (L1952-BAN); and (vi) identification of effective and viable modes of anti-trafficking operations and creating awareness on issues of women trafficking in the cross-border area (L2021-BAN).

ii. Transmission and Distribution Subsector

77. The component of drugs/human trafficking was not evident in the ADF VIII–IX batch for this sub-sector. For example, in L2005-LAO: Northern Area Rural Power Distribution, the project's social and poverty strategy indicated that drugs/human trafficking was not an issue. Only one project³⁸ had included a special feature on this through the addition of an awareness campaign for its employees and project areas on the risk of child/labor trafficking.

f. Promote Regional Cooperation

i. Roads and Highways' Subsector

78. Seven out of the 10 projects had components on promoting regional cooperation through: (i) improving regional and district roads to strengthen integrated road networks; (ii) building road networks important to carry out ADB's regional cooperation strategy; (iii) rehabilitating a key transport corridor; (iv) improving sub regional economic cooperation via realization of the Southern Economic Corridor; (v) supporting SASEC program to promote subregional cooperation through upgraded governance capacity, better transport facilities, and more efficient and effective trade management; (vi) improvement of regional and feeder roads to strengthen integrated road networks; (vii) enhancing capacity of officers serving at the border; and (viii) improving the existing cross-border agreement between countries.

ii. Transmission and Distribution

79. The attention for regional cooperation in this ADF VIII–IX sub-sector appears to be increasing, especially for countries with the objectives of: (i) aiming to enhance interconnectivity, (ii) meeting sustainable and reliable electricity supply at affordable prices, (iii) stimulating trade and economic growth in the sub region, and (iv) facilitating importation of electricity to provide reliable electricity supply at a lower cost than any alternative. Countries engaged in regional cooperation included Tajikistan and Afghanistan, Cambodia and Vietnam, and Uzbekistan and Tajikistan. Of the nine RRP's reviewed, four³⁹ had regional cooperation sub-components. Two of these were directly classified as regional loans, while the other two were individual ADF loan projects in Cambodia that formed part of the planned transmission backbone grid between Cambodia and Viet Nam.

³⁸ L2261-CAM: Second Power Transmission & Distribution

³⁹ L1976/L1977-REG: Regional Power Transmission Modernization (Tajikistan and Uzbekistan), L 2303/L2304-REG: Regional Power Transmission Interconnection (AFG & TAJ), L2261-CAM: Second Power Transmission and Distribution, and L2052-CAM: Greater Mekong Subregion Transmission Project

g. Monitoring Systems

i. Roads and Highways' Subsector

80. Added efforts were observed to elevate monitoring systems above the project level in the ADF VIII–IX period.⁴⁰ All 10 projects either had done baseline surveys or intended to conduct a survey as part of project implementation, to establish a project baseline. Six of these projects had conducted PPTAs. Projects intended to carry follow-up surveys on the baselines established during initial surveys, and intended to use this as part of the projects' Benefit Monitoring and Evaluation (two cases) or as part of PPMS (six projects) which they intended to develop.

81. Other monitoring systems in the ADF VIII–IX projects incorporated: (i) monitoring of axle overloading (one case); (ii) development of an e-procurement system that would monitor activities and provide information about upcoming tenders and tender awards); and (iii) a public opinion survey on existing public and private road-based passenger transport services and related facilities, service need, and the need for changes in the approach to provision.

82. Eight out of 10 projects intended to put in place poverty monitoring by adding a stand alone survey, especially to monitor resettlement plans, or to strengthen the project's PPMS. Four out of the 10 projects would include external monitoring arrangements to monitor (i) LARP through independent consultants or NGOs (three projects), and (ii) reform process through establishing an independent steering committee (one project).

ii. Transmission and Distribution Subsector

83. Seven out of nine projects had baseline surveys conducted, which were intended to be followed up during project implementation. Project monitoring and evaluation and impact assessment would also provide the mechanism to report outcomes and impacts of the projects. Social safeguards would also be monitored by putting in place environmental monitoring and resettlement plan monitoring. Four out of nine projects would engage independent third party monitoring, especially in the area of resettlement and social impacts. All nine projects had included a component on poverty monitoring.

h. Donor Coordination and Harmonization

i. Roads and Highways Subsector

84. All 10 projects had provided special activities, special covenants, and steering committees to drive attention on harmonizing development efforts of various national initiatives, project targets and donor coordination.

2. Trend and Comparative Analysis of ADF VI–VII and ADF VIII–IX Projects

85. The focus of the discussion in this section is a detailed comparison of ADF VIII–IX with ADF VI–VII, in the roads and highway subsector and the transmission and distribution

⁴⁰ ADB usually requires projects to comply with standard reporting systems to monitor project operation and implementation, and accounting. Quarterly, annual, mid-term reports are submitted by EAs to ADB. Mid-term meetings are usually conducted to assess progress and evaluate project needs and support. Project completion reports are submitted to provide over-all performance and achievements of projects.

subsector. The table below juxtaposes the findings for 53 indicators. Some of the general conclusions are in the main text of the study.

Table 10: Summary Matrix of trend and comparison for ADF VI–VII and ADF VIII–IX

Data Checklist	Transmission & Distribution Subsector	Roads & Highways Subsector
1 No. of Samples compared	ADF VI–VII : 9 versus ADF VIII–IX : 9	ADF VI–VII : 10 versus ADF VIII–IX : 10
2 Date approved of RRP's reviewed	ADF VI–VII : 1994 to 2000 versus ADF VIII–IX: 2001–2006	ADF VI–VII : 1992–000 ADF VIII–X : 2002–2005
3 Sector classification	Consistent	Consistent
4 Sub-sector classification	Consistent	Consistent
5 Theme classification	Classification of projects from 1992–2000 are usually single, it only reflects the main classification, other components cannot be distinguished outright, though many projects have also components that cater to other classification. The project that has the Human development classification, for example, is composed primarily of infrastructure development to provide district heating. For projects from 2002–2006, sub-theme classifications are also recognized. However the challenge is how to distinguish the proportion devoted to each classification.	Generally, Both ADF batches zero in economic growth as main theme classification. However in ADF batch 8–9 covers more than one theme classification.
6 Targeted intervention	The targeted interventions are more evident for RRP's from 2002–2006. However, it may be worth knowing how RRP's are classified because both PI and GI, both have heavy components on infrastructure development.	ADF 6–7 did not provide any targeted intervention, while in ADF 8–9 intervention targets are more specified. And most projects are classified for poverty intervention in period of ADF VIII–IX.
7 Beneficiaries	ADF VI–VII RRP's were more specific in quantifying project beneficiaries than RRP's in ADF VIII–IX. The majority of the ADF VIII–IX RRP's provided very broad description of their beneficiaries. However, the majority were classified as general interventions. Some projects which had very clear poverty targeting were able to quantify their poor beneficiaries, and to some extent identify specific areas.	Both ADF batches provided estimates of potential beneficiaries of the projects. However, it can be noticed that in ADF 6–7, the estimates are higher, as most estimates are based on estimated percentages of population either under poverty line or the population of the districts benefiting on the roads. The poverty targeting may have been done by using national population statistics and drawing out percentage estimates of beneficiaries. Only four projects have conducted PPTA or social assessment surveys. Unlike in ADF 8–9, where almost all projects have more specified poverty targeting based on conducted PPTA or social impact assessment. This provided more conservative and actual estimation of beneficiaries benefiting from the project.
8 Affected people	The quantification of affected people was more consistent in the 2002–2006 RRP's, in which the RRP's provided estimates of the number of households and also individual counted. More RRP's in 2001–2006 had considered reporting affected	ADF 8–9 batch had registered more affected people, but fewer affected households and commercial/businesses—compared to ADF 6–7 which presented an opposite trend.

Data Checklist	Transmission & Distribution Subsector	Roads & Highways Subsector
	persons compared to the RRP's from 1992–2000. Probably this was because of the higher attention to ensuring monitoring of poverty and safeguards.	
9 IP targeted	ADF projects in transmission & distribution from 1992–2000 and 2001–2006 were consistent in announcing the mitigation of risks for IP. As some projects aimed to electrify poor remote areas, the selection of districts/regions was done carefully to ensure that projects would include IP as beneficiaries rather than put them to a disadvantage situation. In ADF VI–VII projects, no IP plans have been required, which means that there is a consensus effort to place T&D lines in areas where there are minimal IPs. In ADF VIII–IX, no IP are affected and in such event that there will be cases of IP issues, IPDP will be required to assure that proper safeguards are implemented.	Both ADF batches had no IP issues, however in both batches, the IP involved were seen to benefit from the projects and not disadvantaged by any resettlement impacts.
10 People negatively affected (other than through resettlement/land acquisition)	Both batches announced proper mitigation measures (i.e., environmental and social) and safeguards to cover other negative impacts of the project.	ADF 6–7 had fewer projects than ADF 8–9 bringing adverse effects for people/other affected (other than resettlement). ADF 8–9 had one case in which roads fell under the red category in Bangladesh's Environmental Preservation Rules of 1997. On the positive side, the number of affected structures and productive agricultural land in ADF 8–9 was much lower than in ADF 6–7.
11 No. Loan assurances	Decreasing number of loan assurance in ADF VIII–IX, compared to ADF VI–VIII	No. of loan assurances in ADF 8–9 has increased compared to the no. of loan assurances provided in ADF 6–7 projects
12 No. of Loan conditions	Not much difference	No. of loan conditions in ADF 8–9 has increased compared to the no. of loan conditions provided in ADF 6–7 projects
13 Special poverty activities in loan	Both ADF VI–VII and ADF VIII–IX projects included poverty reduction components in the projects. Whether the project seems to be almost purely infrastructure development, special poverty components were integrated. Rural households are consistently targeted in building structures for transmission and distribution.	ADF 6–7 batch has specified two projects explicitly providing civil work construction to accommodate two-wheeled and non-motorized traffic, because the type of road is attributed to the access of the usual transportation facility of poor constituents (farmers, rural transport); ADF 8–9 has no such special provision on civil works to this effect. However, in ADF 8–9, the poverty activities are were presented on the basis of the general benefits that roads contribute to poor constituents such as employment generation (on-site/off-site), improved access to services, etc. But the most central poverty activity common to many ADF 8–9 project is the selection process of project areas, which strictly required some level of poverty criteria for selection.

Data Checklist	Transmission & Distribution Subsector	Roads & Highways Subsector
14 (Aim/goal) Impact RRP vs DMF	In both batches, the statement of goal/aim shows some inconsistencies. In both cases, the RRP statement are more elaborated and defined while DMF statements in general fail to reflect all that were stated by the RRP. Very few projects have consistent statements in the RRP and DMF.	Half of the RRP's under the ADF 6–7 batch had no logframe in the RRP's. All RRP's in ADF 8–9 batch had complete DMF's; ADF 8–9 statement of impacts on the RRP's and log-frame had a higher consistency.
15 Purpose (outcomes) RRP vs DMF	Under ADF VIII–IX, there were more projects with consistent statements in RPP and DMF.	RRP's' main texts provided more elaborated statement of purpose, than in their DMF log-frames.
16 Main components	Components for infrastructure development and rural electrification remained the main components for both ADF VI–VII and ADF VIII–IX. In ADF VIII–IX, the capacity/institutional development components became more evident. Safeguards components in ADF VI–VII were usually clamped under social mitigation components. In ADF VIII–IX, they were more specifically defined under resettlement and environment programs.	The average no. of components for ADF 8–9 has increased, with civil works remaining the top component. Additional components seen in ADF 8–9 which are not present in ADF 6–7 included private sector development, governance, human trafficking, and policy development. Institutional capacity development component remained the second major component in projects of ADF 8–9, however it decreased compared to ADF 6–7.
17 Sub-components: national/sub-national policy development	Policy development in both ADF VI–VII and ADF VIII–IX were consistently supported by the projects, if not, the project was seen as a contributor for the realization of the national programs.	Projects in both ADF batches play major role in support of a larger/wider sector development plan/framework. However, in ADB 8–9 more projects (six out of 10) were part of an on-going sector reform process and larger sector development initiatives or strategy/plan, as compared to ADF 6–7 (two out of 10 projects). In both batches, the loan assurances of projects see to it that conditions for national policy development are improved through: (i) enactment of bills, laws, regulations on road safety; (ii) axle-loading, (iii) development of road maintenance fund; (iv) road improvement and maintenance; and (v) cross-border protocol and custom clearance established.
18 capacity building of government org/officers	In ADF VIII–IX, capacity development is delivered on different types of loan modalities such as an ADF grant, a grant of a bilateral donor, or a TA, or a support component in an OCR loan. In ADF VI–VII, capacity building is always incorporated as one of the many components (parts) of the project. The roles of international consulting remain significant to both batches, because they provide the training for the government officers/EAs.	Both ADF batches remained very much involved in providing components for institutional strengthening and capacity development. The capacity building for both ADF VI–VII and ADF VIII–IX remain dependent on consultant services. On the job-trainings and counter parting (assigning local staff with international consultants) remain evident for both ADF batches. Capacity building for ADF 6–7 included: (i) road maintenance management and capacity development, (ii) road safety, (iii) policy formulation, (iv) road fund management, (v) programming and budgeting, (vi) routine maintenance and periodic maintenance, and

Data Checklist	Transmission & Distribution Subsector	Roads & Highways Subsector
19 capacity building of community based organizations	<p>In both ADFVI–VII and ADF VIII–IX, capacity building of the community based organization took place as part of the RP, providing livelihood development for the affected people due to events of resettlement. Capacity building of community based organizations relatively increased (in terms of count) in ADFVIII–IX compared to ADFVI–VII, even if it remained part of the scope of the RP. In ADF VIII–IX, such as in case of L1884/L1885-BAN: West Zone Power System Development, capacity of rural cooperatives was developed to sustain the efforts of rural power distribution initiated by the project, thus bringing in project ownership of the cooperatives.</p>	<p>(vii) centralized road inventory. The area of capacity development in ADF 8–9 has gone beyond project and operation capacity development, and has come to include development of government capacity to improve: business process, LAR process, EIA, HIV awareness, and regional capacity development.</p>
20 involvement of NGO	<p>There was more involvement of NGOs in ADF VIII–IX. Aside from engaging NGO in power distribution, they also took an active role in the campaign of HIV and women trafficking, monitoring of resettlement action plans and training of affected women and minorities in livelihood program development.</p>	<p>ADF 8–9 expected a higher level of NGO involvement, NGO's involvement in ADF 6–7 was more confined to awareness and information campaign of the project, BME, environmental monitoring and implementation of resettlement plans. NGOs in ADF 8–9 were also engaged in other activities such as providing awareness on HIV, independent monitoring of LARP, livelihood development of women and road maintenance consulting.</p>
21 training beneficiaries	<p>of Training of beneficiaries was similar in both ADF batches. Type of training remained in the context of</p>	<p>There were more projects with training components for beneficiaries, in ADF 8–9.</p>

Data Checklist	Transmission & Distribution Subsector	Roads & Highways Subsector
	demonstration and awareness building of the consumers. In ADF VIII–IX, trainings included livelihood development for the affected persons (as part of the RRP).	In ADF 8–9, beneficiaries (other than the government) were provided capacity development through: (i) public awareness on road safety, (ii) training of local contractors on contract-based road maintenance, (iii) training on LARP implementation, (iv) public awareness and information on HIV and development of information ad translated to local language, (v) increased awareness of union council's responsibilities on labor contracting and technical training on road maintenance, and (vi) training on labor contracts for road construction and maintenance, and monitoring and evaluation through a pilot development. In ADF 6–7, training of beneficiaries was confined to building their awareness mostly on the project. Only one project in ADF 6–7 attempted to build private sector's capabilities on road work and maintenance.
22 governance development	<p>Both ADF VI–VII and ADF VIII–IX supported good governance but in somewhat different ways.</p> <p>(i) In ADF VI–VII, projects were actively improving the financial and operational viability and efficiency of the power utilities, were in support of policy reforms and structuring, TD losses were being addressed.</p> <p>(ii) In ADF VII–IX, governance provisions became more explicit. Aside from enforcement of the usual ADB accounting and financial standards, provision on external and independent auditors were emphasized, especially on procurement and audit. There was a larger effort to provide capacity building to improve the EAs financial and operational management capacity, promoting Management Information Systems, Website and IT development.</p>	There was an increased no. of projects stating adherence to ADB's anti-corruption policy in ADF 8–9 (four projects) batch, as compared to ADF 6–7 (two projects); In both batches provisions were put in place for project (financial, management, procurement, monitoring), institutional (capacity development) and sector (policy reforms) governance. Governance provisions in ADF 8–9 were mentioned more explicitly.
23 gender relations/development	Gender mainstreaming was pursued in both ADFVI–VII and ADFVIII–IX. The emphasis remained on presenting project benefits to women. In ADF VI–VII, projects did not consider special components that provide activities contributing to capacity building and development of women, neither were there programs to engage women in project activities. RRP generally stated that benefits of the project would substantially improve the quality of life of women. In ADFVIII–IX, projects continued to spell out the benefit for women, but some projects also engaged women in designing subprojects, and included some special livelihood assistance for women and minorities—signs that clearly demonstrate the serious effort to mainstream gender in the projects.	ADF 8–9 had a higher level of gender and development component. All project RRP mentioned special activities for women and specific provisions to assure that women will not be disadvantaged. In ADF 6–7, there were fewer projects (three out of 10) with gender and development components.

Data Checklist	Transmission & Distribution Subsector	Roads & Highways Subsector
24 money laundering/drug trafficking/people trafficking	ADF VI–VII did not include any reference to this sub-component. One ADF VIII–IX project included this in the project as a special feature.	No components were provided on money laundering/drug and human trafficking in ADF 6–7. In ADF 8–9, most projects provided very clear provisions on this sub-component. One ADTA was added exclusively for this component.
25 social development/social protection	<p>Both ADF batches addressed this component.</p> <p>Observations:</p> <p>ADF VI–VII</p> <p>(i) Integrated in the resettlement plan but limited to those affected by the project</p> <p>(ii) Integrated as part of mitigation of environmental risk/negative impacts of the project</p> <p>(iii) Stated as sub-components of the project infrastructure, funds were allocated to mitigate social risk</p> <p>ADF VIII–IX</p> <p>(i) Mostly under loan assurances or special features of the project (labor contracts, equal treatment in employment, HIV)</p> <p>(ii) Integrated in the summary of resettlement plans</p> <p>(iii) Attached separate TA component (i.e. poverty analysis and social protection of the poor in case of tariff increase)</p>	Both ADF batches claim that project benefits will contribute to social development. Social protection for both batches is also present in the form of provisions on: (i) road safety, (ii) HIV awareness, (iii) assurances on environmental impact monitoring and mitigation, (iv) provision of compensation for the affected person through the resettlement plans, (v) compliance on labor laws. In ADF 8–9, majority of the RRP's stated adherence to ADB's Policy on Involuntary Resettlement and Handbook on Resettlement, while in ADF 6–7—there was no mention of this Policy.
26 community development	<p>There is a consistent notion that community development is an automatic result of providing improved electrification in the areas. It has not gone far from treating it as benefit of the project. Community development, as enabling constituents to have a higher degree of participation in the project activities has not really been accommodated in the project design for both ADF batches. However, ADF VIII–IX took some steps forward. Two projects indicated support through:</p> <p>(i) increasing awareness of the consumers, through consultation meetings on the electrification kit use and safety</p> <p>(ii) health education for the affected people.</p>	Community development components have increased in ADF 8–9, compared to the no. of projects in ADF 6–7.
27 private sector development	<p>Private sector developments are considered in both ADF batches. The difference between ADF VI–VIII and ADF VIII–IX is that:</p> <p>ADF VI–VII:</p> <p>(i) promoted private sector development by restructuring companies</p> <p>(ii) policies were initiated to support private sector development</p> <p>(iii) Power supply was being improved, and financial standing of the companies was being restructured and improved to attract private sector investment</p>	Private sector development components are present in both ADF batches.

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28	infectious diseases	<p>ADF VIII–IX:</p> <p>(i) restructuring of companies was still evident, but it has beyond this to encourage large-scale investment, using private contracts to build the projects, decentralizing distribution of electricity to local private distribution companies</p> <p>(ii) Continuous policy development favoring private sector development.</p> <p>(iii) There was a wider recognition of private sector involvement in regional cooperation efforts in the energy sector.</p> <p>Infectious diseases were recognized more explicitly in ADF VIII–IX projects. Usually this was reported under the special features/assurances of the RRP.</p>	ADF 8–9 had a larger number of projects that addressed HIV/ infectious disease.
29	promoting regional cooperation	<p>In ADF VI–VII, only one out of the nine projects has regional cooperation components. While in ADF VIII–IX, there are four projects that have regional cooperation sub-components. Two of the ADF projects are classified as regional, while the other two are ADF projects in Cambodia, in which project forms part of the planned transmission backbone grid between Cambodia and Viet Nam. With this, there seems to be an increasing attention for regional cooperation for ADF VIII–IX.</p>	<p>Regional cooperation was both reported in ADF 8–9 and ADF 6–7. However, RRP's under ADF 6–7 did not mention any ADB regional cooperation program supported by the projects. They referred mostly to countries being connected. Regional cooperation provisions usually had a generic description on how this component would be carried out. In RRP's for ADF 8–9, the activities were elaborated more. RRP's referred to such on-going regional cooperation programs as SASEC, ADB's regional cooperation strategy and the Southern Economic Corridor.</p>
30	Suspected add-ons for poverty targeting/reduction	<p>Although hard to quantify, RRP's under ADF VIII–IX provided more add-ons for poverty reduction since projects were designed to provide benefit more on the economic and national level rather than on specific poverty areas. There were a number of small T&D infrastructure components for rural areas, even if the main aim was not focused on rural electrification. In RRP's for ADF VI–VII, there were more cases where the rural poor were the main project beneficiaries.</p>	<p>There is not much difference between the two ADF batches. The ADF 6–7 batch included add-ons such as (i) small road/civil work components designed and constructed to specifically accommodate two-wheel and non-motorized vehicles which were the common transport of farmers and poor rural dwellers; (ii) construction of additional small road sections that belonged to a previous project, but due to financial issues had not been implemented; (iii) completion of missing links that had not been accomplished by a previous ADF project due to implementation delays and scope reduction; and (iv) provision of low-cost remedial engineering measures on selected national and regional roads to reduce traffic accidents. In ADF 8–9, suspected add-ons included: (i) provision of additional roads traversing farm villages; (ii) improvement and rehabilitation of rural access roads that followed existing roads and tracks, from earth to all-weather; and (iii) roads improved by the projects but were part of a previous project that failed to complete its scope.</p>

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31 Suspected add-ons for governance and/or anti-corruption	Add-ons for governance were less evident in ADF VI–VII. In ADF VIII–IX, the strategy has evolved to incorporate such themes as renewable energy development, hydro-power development, energy—efficiency, development of efficient transmission and distribution, although the old components regarding enhancement of corporate governance are also still in evidence. There is more explicit mention of the need for increasing financial and operational viability of the EAs through capacity building in finance and audits and improving management information systems. There is more explicit mention of integrating independent audits and independent monitoring systems.	In ADF VI–VII, the project L1697-CAM: Primary Roads Restoration Project indicated that the improved transport links will also contribute to the process of reuniting a society that has suffered more than 30 years of political instability and violence, and will assist the Government in reestablishing its influence throughout the country, thereby enhancing good governance. In ADF VIII-IX, project L1920-BAN: Road Network Improvement & Maintenance Project I would extend its program to cover the unfinished component of ADB’s Road Maintenance and Improvement Project. The project under its periodic road maintenance component would finance 200 km of periodic maintenance that was earlier included in the previous ADB project.
32 Agencies involved for poverty reduction components	No evolving trend. The responsibility remains within the project implementation unit. However, the implementing agencies were mostly state-owned power providers and the ministry of power.	In both ADF batches, the implementing agencies (usually through established PIUs) were involved in the poverty reduction components.
33 Agencies involved for governance components	There was some involvement of other ministry aside from the ministry of power. Regulatory boards were major participants. The PIU and EAs remained the major players for implementing governance. However, in ADF VIII-IX, it was observed that donors were also having more explicit roles in the governance.	
34 No. of international co-financing agencies involved	ADF VI–VII had more varied co-financiers (8) involved, with range 0–4. But more projects (5 out of 9) had no co-financiers except for the government. While in ADF VIII–IX, co-financiers (7) involved are in the range of 0–2 per project. There are only four out of nine projects without co-financiers aside from the government.	There were more varied co-financing institutions involved in ADF 6–7 (eight institutions) as compared to ADF 8–9 (five institutions). OPEC was the major co-financier. However, ADF 6–7 had more projects that did not have co-financing beyond the government. ADF 8–9 had more projects co-financed by agencies (financiers had been limited to only three agencies)
35 Complexity of the projects. in terms of different agencies involved	The presence of policy dialogues and sector energy plans/action plans and road maps made roles of different agencies more distinct.	No complexities of projects stated in both ADF 6–7 and ADF 8–9 due to presence of policy dialogues and more distinct roles of development assistances and structured roles of agencies involved.
36 Presence of complementary poverty reduction programs from the government	The projects remain relevant to on-going national poverty reduction programs. The projects are either part of a direct poverty program of the government like rural electrification, or part of a wider sector program.	There seems to be a higher level of coordination between the projects and complementary government poverty reduction programs in ADF 8–9.
37 Presence of complementary poverty reduction/	Development assistance played a large role in the development of the energy sector in most DMCs. Assistance aimed at reducing poverty through	There are more complementary poverty reduction programs funded by other donors in ADF 8–9. There were already many

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governance programs from other donors	electrification in both ADF batches. Donors leading the sector policy dialogues include ADB, World Bank, UN and other donor governments like Germany, Switzerland and Japan.	harmonization efforts in the time of ADF 6–7. ADF 8–9 further improved these efforts by including harmonization activities in all of its 10 projects.
	In ADF VI–VII projects, donors' assistance overlapped in terms of niche in the development of the sector. Donor roles became more targeted and defined over the years.	
38 International consultant (no. of person-months)	The range of PM for international consulting remain large for both ADF batches, however there are more PM in ADF VI–VII than ADF VIII–IX. But the average in terms of PM for ADFVIII–IX is greater than in ADF VI–VII.	The number of person months of international consulting has decreased in ADF 8–9 .
39 Local consultants (no. of person-months)	The range of PM for domestic consulting remain large for both ADF batches, however the PM in ADF VIII–IX has substantially increased compared to ADF VI–VII and the average for ADFVIII–IX is also greater compared to ADF VI–VII.	Domestic consulting in ADF 8–9 has increased compared to ADF 6–7.
40 Nature of international/domestic consultancy services	There were increasing similarities in the types of jobs for international and domestic consultants. Projects in both ADF batches were keen on a good mix and more partnership. ADF VIII–IX illustrated this more explicitly having seven out of nine projects that did not differentiate the nature of consulting services between international and domestic. More projects require domestic consultants in project design, monitoring and environmental and social safeguards.	The trend for both ADF batches was to develop in-house/domestic capacity in terms of technical skills and expertise through improved partnership between international and domestic consultants. The international consultants will also provide on-the-job training to the counterpart staff and domestic consultants.
41 ADTA added to the project.	There was a greater number of ADTAs in ADF VIII–IX compared to ADF VI–VII	ADF 8–9 projects had fewer ADTA's attached, as compared to ADF 6–7. In ADF 6–7, there were also cases that PPTA of another project was attached the project.
42 Nature of the ADTA	ADTAs in ADF VIII–IX were more focused on capacity/institutional development, and management information systems. ADF VI–VII focused on studies/evaluations of proposals for private sector development.	The nature of ADTAs in ADF 6–7 centers on providing: (i) improving policy and regulatory framework of the road transport sector, (ii) road maintenance plan, (iii) institutional capacity development, (iv) finance advisory, (v) implementation of cross-border agreement, (vi) provision of a study. ADTAs in ADF 8–9 provided advisory services on: (i) pro-poor technological solutions for roadwork, (ii) institutional strengthening, (iii) road maintenance, (iv) awareness and prevention of HIV and Human trafficking, and (v) conduct of study on highways development and development of reform and investment program for passenger transport services
43 Baseline (beneficiary) survey to be done	Both batches had either conducted or would have substantial baseline surveys	Baseline surveys or establishment of baseline were both relevant for ADF 6–7 and ADF 8–9. Preparatory or social surveys (usually carried

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		during PPTA) had been conducted with more projects in ADF 8–9. In ADF 6–7, more BME types were conducted. In ADF 8–9, increased effort was on establishing PPMS.
44 Other (beneficiary) surveys to be done	Both batches planned surveys addressing mainly the safeguards.	Both batches planned environmental monitoring and survey on road safety and road traffic
45 Poverty monitoring included?	There was greater effort to include poverty monitoring for ADF VIII–IX (all nine projects), but it had already started to be included in ADF VI–VII (six out of nine)	Poverty monitoring was both present in ADF 6–7 (nine out of 10 projects) and ADF 8–9 (eight out of 10 projects).
46 External monitoring arranged during project? If so, what kind?	External arrangements for monitoring were planned for both ADF batches, but independent monitoring was more evident in monitoring social and resettlement results of ADF VIII–IX projects.	There was not much difference between ADF 6–7 and ADF 8–9 with regards to the use of external monitoring arrangement. The number has remained small.
47 Employment effects discussed in detail?	Employment effects were not fully discussed in both ADF batches, however, there was always a vague claim that the provision of electrification would result in better employment opportunities.	Employment effects were predicted in both ADF batches. Employment generation remained at the top of the listed benefits of road projects. All projects from both ADF batches provided details of substantial employment generated.
48 Employment effects of modernizing practices discussed in detail?	In general, it was not well discussed in both ADF batches.	Not discussed. However projects in both batches referred to increased employment due to commercial opportunities created because of improved road infrastructure.
49 Need for national/sub-national policy change discussed?	Policy dialogue was viewed as very important in the energy sector. ADF VIII–IX projects did not introduce many new topics.	ADF 8–9 had more projects indicating that policy dialogue should be continued. Both ADF batches encouraged continuous policy dialogues in order to have an effective policy environment to support on-going initiatives.
50 Governance/Corruption or fraud or other irregularity mentioned as risk in the RRP?	Projects in ADF VIII–IX were more open in referring to corruption as a risk. Many RRP focused on governance activities such as improving financial and audit systems, introducing independent audits, adding components that would address massive transmission & distribution losses, and developing a policy to address good governance. Governance was mentioned as a risk more in ADF 8–9. There was also more emphasis on risk mitigation.	Corruption or fraud was not mentioned as an issue in both ADF batches. Governance was more often mentioned as a risk in ADF 8–9 than in ADF 6–7. Risk mitigation strategies were formulated to overcome the risks. There was often a distinction between a security risk or a project capacity risk, as a governance risk.
51 Mention of power relation/ or domination of local elites?	<p>In ADF VI–VII, three out of nine RRPs had issues here:</p> <ul style="list-style-type: none"> ○ L1794-CAM: Provincial Power Supply Project - Not actually an elite domination case, but rather an exercised dominance resulting to non-payment of local influential people of their power consumption, which contributes to the 35% to 50% power losses in provinces. ○ L1414-SRI: Second Power System Expansion 	Power relations were not seen as major risks in both ADF batches.

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52 Consistency to national policies/plans and strategy.	(Sector) - CEB trade union was opposing the government's move to privatize CEB. o L1730-BAN: Dhaka Power Systems Upgrade - The staff of the power sector utilities supported the Project, but expressed reservations regarding the restructuring and corporatization activities. In ADF VIII-IX RRP, no issues were mentioned. ADB projects for both ADF batches remained relevant and in line with national policies/plans and strategy.	Both ADF batches are consistent with national policies and strategies .
53 Consistency to ADB Strategy		

ADB = Asian Development Bank, ADF = Asian Development Fund, DMF = design and monitoring framework, IP = Indigenous People, IPDP = Indigenous People Development Plan, PIU = Poverty Implementation Unit, PPTA = project preparatory technical assistance, RRP = report and recommendation of the President.