



Evaluation Study

Urban Sector Strategy and Operations

Supplementary Appendixes

Operations Evaluation Department
Asian Development Bank

URBAN SECTOR TRENDS

1. Although the United Nations recent forecast of national and urban growth rates in Asia declining to 2.4% annually over the next 30 years is somewhat in doubt,¹ the growth of Asian cities remains unprecedented, with many doubling their population every 15 to 20 years. In 1960, 1 person in 5 lived in urban areas, by 1980 this was 1 in 4, by 1990 1 in 3, and by 2020 it is predicted to be 1 in 2. Whereas London took 130 years to grow from 1 to 8 million, Bangkok took 45 years, Dhaka 37 years and Seoul only 25 years.² While evidence from both China and India suggests that the most rapid growth is occurring in secondary cities, Asia holds more than half of the world's megacities; cities or metropolitan regions with populations of more than 10 million; and that number continues to rise rapidly. There are currently 19 megacities worldwide, of which more than half (10, containing 115 million people) are located in Asian developing countries. This number is projected to rise to 23 by year 2010 with 12 from Asian developing countries containing 222 million people. By 2015, Asian developing countries will hold three of the world's five largest urban agglomerations: Mumbai, Dhaka and Delhi. Dhaka, from a mere 417,000 inhabitants in 1950, is currently the world's ninth largest urban agglomeration, with 12.5 million inhabitants. Within a decade, it will grow to become the world's second largest metropolis, with 22.8 million people. The particular impact which People's Republic of China (PRC) and India have on urbanization figures for the region is demonstrated by reference to Figures 1 and 2.

2. The rapid growth of urban Asia reflects the rapidly increasing importance of cities as: (i) focal points of economic activity and engines of economic growth, (ii) centers of excellence for education, health care, innovation, entrepreneurship, business, commerce, industry, culture and social services, (iii) large markets for a wide range of products, goods and services (iv) nodal points for transportation, telecommunications and information technology systems, and (v) the primary location for employment and livelihood opportunities. Given the positive correlation between levels of urbanization and gross domestic product (GDP), there is strong evidence to suggest that urbanization enhances productivity. In the mid 1990's Korea (80% urbanized) has a GDP per capita of \$10,000 (equivalent to that of Argentina) while Nepal (15% urbanized) had a GDP per capita of \$200 per capita. There is also a strong positive correlation between city size and GDP per capita. The ratio of city GDP per capita to national GDP per capita is found to be 1.9 for Metro Manila, 2.5 for Kolkata, 3.5 for Bangkok and 3.7 for Shanghai. Mumbai is generating one sixth of GDP of India, confirming the synergy of private entrepreneurs and investment in a single location, despite insufficient infrastructure. However, productivity rates can be even higher if city efficiency is enhanced.

¹ The UN projections on urbanization in Asia are currently somewhat in doubt. An alternative argument contends that there has consistently been an overestimation in the extent and rate of urbanization as a result of assumptions made by the UN in calculating numbers of urban dwellers. The contention is that this overestimation results from the way in which the UN extrapolates for missing population data for developing countries. The UN projections apply the same growth model to all countries, effectively making the implicit assumption that all countries will go through the same urbanization process as the currently developed countries. However, observation of historical patterns of urbanization in Asia and Africa show different urbanization trends. If the urbanization rates are based on historical patterns of urban transition, then lower levels of urbanization can be anticipated in most parts of Asia. The alternative approach uses country-specific historical data and relates urban growth to level of development – either in terms of gross domestic product or human development index. This polynomial model then predicts likely future variations between national and urban growth rates, and applied these in looking at future urbanization trends. The results are startlingly different from the widely quoted UN projections. They predict an urbanization rate for Asia of 41% (vis a vis the UN projection of 54.5%) by 2030. Corresponding figures for China and India are 39% (against 60%) and 31% (against 41%). In: Philippe Bocquier. 2005. *World Urbanization Prospects*; an alternative to the UN model of projection compatible with the mobility transition theory. Demographic Research, May 2005.

² United Nations. 2005. *Habitat research*.

3. The combined outcome of demographic growth, global economic reorganization and changes in state–society–capital relations in parts of Pacific-Asia is leading to hyper-urbanization never before seen in world history. Bangkok grew from 67 square kilometers during the late 1950s to 426 square kilometers by the mid 1990s. It is expected that by 2020, two-thirds of the entire Association of East Asian States (ASEAN) urban population will live in only five metropolitan regions (MRs): the Bangkok-centered MR (30 million); the Kuala Lumpur–Klang MR (6 million); the Singapore Triangle (10 million); the Java MR (100 million); and the Manila MR (30 million). Southeast Asian MRs will be relatively small, compared to those in East Asia, such as the Tokyo–Osaka–Kyoto–Kobe–Nagoya MR (60 million), the Hong Kong–Shenzen–Guangdong MR (120 million) and the Greater Shanghai MR (83 million). With the Shanghai MR extending over 6,340 square kilometers and the Beijing MR covering an area of 16,870 square kilometers, East Asian MRs are introducing urban issues on geographic scales never before experienced. There are many factors behind the rise of the city region. Prime among these is the evidence that in a period in which technical progress and deregulation allow for economic activity to locate virtually anywhere in the world, high-value added functions and economic dynamism have become more than ever concentrated in urban areas, in general, and in core cities and their metropolitan regions in particular. This is reinforced by the changing role of national governments and the ascent of sub-national tiers of government which implies a steady transfer of powers over development issues from the nation-state to cities and regions.

4. These combinations of an urban core or cores with a semi-urban and rural hinterland linked to the core by functional ties, are becoming increasingly regarded as the engines of economic activity and growth in a globalizing world, which (i) demand development and implementation of new modes of economic governance; and (ii) are of a scale which suggests they are the ideal point of entry for public policy intervention. This presents strategic and management challenges both to national, regional and city governments, and to ADB in seeking to support these regions. The extended Bangkok Metropolitan Region (BMR), with 17.5 million (28% of the country's total population), has long been the focus of Thailand's economic development. The city core of 8 million is governed by the Bangkok Metropolitan Administration, with a staff of over 82,000 but limited powers. Outside the core, there are an estimated 2000 local government authorities, serving primarily small villages and with no adequate system of governance to tackle the problems of urbanization in a coordinated manner. Cities such as Mumbai, Kolkata, Delhi, Karachi, Chennai and Manila have all created powerful planning agencies which have development functions within the megacities themselves, but how well equipped are they to tackle the issues confronting a metropolitan region? The needs of large cities are in the areas of improving economic opportunities to its population, improving the quality of life through social measures, and addressing housing needs, public health, and the dangers of congestion and pollution, so typical of urban areas across the globe. As a UN report has stated, if cities are successful in these areas, they can have a major effect on poverty reduction. If they are not successful, they are capable of creating some of the most squalid living conditions and abject poverty.

CURRENT INVESTMENT; PROGRAMS OF SOME MAIN EXTERNAL AGENCIES

1. **The World Bank.** The World Bank has been active in the urban sector in Asia since the 1960s both through its non-concessional and concessional operations. Like ADB, the World Bank's products include loans, credits, technical assistance and research, although most of its TA work is funded from bilateral or other multilateral sources and executed by the World Bank. Over the past 10 years, the World Bank has lent some \$4.9 billion in South and East Asia on urban projects ("urban" being regarded as a theme and not a sector by the World Bank), representing about 10% of the World Bank's total lending to the region over this period. Table A2.1 shows the annual trend in urban lending which demonstrates a declining trend since the late 1990's, although urban theme lending shows a modest increase between 2003 and 2004.

Table SAB.1: World Bank lending under the Urban "Theme"

Urban Theme Lending	East Asia (\$ million)	South Asia (\$ million)	Total (\$ million)
Annual average 1995–1997	757	275	1,032
Annual average 1998–1999	900	297	1,197
2000	230	300	530
2001	433	186	619
2002	64	766	830
2003	234	3	237
2004	399	88	487
Total	3,017	1,915	4,932
Share of total lending (2004)	16%	3%	8%
Share of total lending (1995–2004)	9%	11%	10%

2. However, in recent years, the World Bank group – and in particular its private sector affiliates - have massively increased their support for infrastructure investments. During fiscal years 1995 to 2001 private sector investments were up 88% while guarantees increased by a factor of 30. Also, the infrastructure component of adjustments rose by 104% at the same time that WB lending to middle income countries for infrastructure fell by 50%. The World Bank's new incentives such as concessional financing, targeted subsidies and guarantees are expected to overcome risks and limited returns, and the World Bank's commitment for infrastructure financing remains at a level of \$1.5 billion annually for countries eligible for concessional lending only.

3. **The Japan Bank for International Co-operation (JBIC).** JBIC provides concessional lending to developing country governments, focusing on Asia. Over the past five years lending has been maintained at a level of about \$4 billion a year – down from about \$9 billion per year in the period 1998-99 following the Asian Financial crisis, with about 90 percent of JBIC funding going to Asia. Although JBIC does not disaggregate loans by urban, of the total loan commitments made by JBIC during FY2003, 48% went to the electric power and natural gas sectors; 23% to transportation; and 20% to social services, which includes water supply, sewerage and sanitation. Review of the detailed loan portfolio suggests about 20% of total loan volume is dedicated to the urban sector – approximately \$1 billion per year.

4. **European Union (EU).** The EU provides 55% of the world's official development assistance and two-thirds of grant aid, amounting to €34.3 billion (\$42 billion) in 2004. One fifth of this - €6.9 billion – was managed by the European Commission. EU's Europe Aid provides

grants and technical assistance to non-EU and non EU-accession developing countries and supports the UN system in carrying out development activities which include investment in the urban sector. The EU's program in Asia rose from €407 (\$500 million) in 2001 to €611 (\$750 million) in 2004. The bulk of EU aid goes to Social Infrastructure and Services (46%), Economic Infrastructure and Services (13%) and Multi sector projects (14%). Although the EU does not disaggregate for urban, its program has a strong water focus and the Asia-Urbs program has supported urban planning and capacity building in participating cities.

5. **United Nations Centre for Human Settlements (UNHCS).** UNCHS has as its mission "Responding to the Challenges of an Urbanizing World". With a 2004 funding of over \$92 million from bilateral sources (49%), multilaterals, NGOs, foundations and other agencies (42%), and the United Nations itself (9% for core mandated activities), 80% of its expenditures are earmarked for specific urban-related projects and programs. Total funding has declined from a peak of almost \$200 million in 2002 (when the Iraq Oil-for-Food program was at its peak), although net of this income source funding has increased from just over \$40 million in 2000. Expenditure is 62% on regional and technical cooperation, 19% on urban development, 9% on water, sanitation and infrastructure and the balance 10% on shelter, training, capacity building, monitoring and research. In Asia, UNCHS key activities are (with the ADB) supporting the "Water for Asian Cities" Program, and its new global Slum Upgrading Facility (\$30 million funding over 3 years) which seeks mobilize domestic capital for slum upgrading activities.

5. **Cities Alliance (Cities Without Slums and CDS).** The Cities Alliance supports improving the efficiency and impact of urban development cooperation in its key areas of focus - the preparation of City Development Strategies and the scaling up of slum upgrading. ADB joined the Cities Alliance in 2002 with a contribution of \$500,000. Pledges to June 2004 totaled almost \$70 million of which about 85% is from bilateral sources, and the balance from the World Bank, UN and other multilateral sources. These pledges cover the period from 1997 to 2007. Of this amount over \$49 million had been allocated and \$29 million disbursed up to June 2004. Expenditures increased from \$9.2 million in FY2003 to \$13.2 million in FY2004. Of the cumulative disbursements to date, Asia has utilized over \$7.5 million. Despite its membership of the alliance ADB has yet to utilize funds in partnership with urban or regional government.

6. The main external agencies active in the urban sector in Asia may not reach an investment of more than \$6 billion per year, with actual disbursements probably still much lower and a considerable portion of investment in capacity development. The investment pales in comparison with the earlier identified need for the urban sector in Asia. In PRC, the **China Development Bank (CDB)** is the largest bank in PRC, funding public sector infrastructure and state owned enterprises. CDB's operations have expanded rapidly since its formation in 1994. New lending over 2004 was \$56.6 billion, up from \$30.5 billion in 2003, and outstanding loans rose from \$143 billion in 2003 to \$177 billion in 2004. The CDB lends significant amounts for urban sector services and infrastructure. Of its outstanding loans in 2004, 22% or \$39 billion was in the sector of water conservancy, environmental protection and public utilities management (up from 16 % or \$23 billion in 2003) and a further 3% or \$610 million on urban public transportation (down from 6% or \$850 million in 2003). Prior to 2003, urban infrastructure was considered as a specific category, loans to the sector rising from 10 percent of the portfolio in 2001 (\$9 billion) to 13% in 2002 (\$14 billion).

7. A second bank that needs to be mentioned here is the **Housing and Urban Development Corporation (India)**. HUDCO of India was established in the 1960s specifically to support urban development schemes, and opened a window in the 1980s offering loans to state and local governments at less than market rates. HUDCO is the premier funding institution

for urban infrastructure and services in India and its lending to local governments has increased steadily over recent years. In 2003/04, HUDCO entered into new lending commitments to a total value of around \$3 billion equivalent. Of the total HUDCO loan portfolio of \$14 billion, 60% or \$8 billion is lending for urban infrastructure and service provision.

8. **The Private Sector.** It has been estimated that the private sector has invested approximately \$830 billion in the provision and operation of infrastructure and services over the 14 years between 1990 and 2003 world wide, of which approximately \$190 billion has been invested in East Asia (i.e. around \$13 billion a year). Figures for Asia as a whole and for the urban sector are not available, but based on available country data it is estimated that over this period the private sector invested approximately \$90 billion in the urban sector (averaging \$6 billion per year). However, private sector investment in infrastructure in developing countries declined from a rate of \$128 billion in 1997 to \$50 billion in 2003, and despite indications that private sector investors are expecting to increase their sector investment portfolio in the region in the next 2 years, there is little evidence of this trend as yet.¹

9. **Local Government Financing.** Information on the funding of urban infrastructure and services by local governments using their own funds (those locally generated and those passed to local governments through subventions from provincial, state or national governments), is difficult to find. Empirical evidence² suggests that (i) figures vary significantly between countries, between cities and over time, and (ii) in many cases amounts are small (the bulk of local government expenditure going to pay establishment costs). In many cases, capital investment (including operation and maintenance) is only of the order of \$10–20 per capita per annum – suggesting government expenditure within the sector in the region of \$15–30 billion per annum.

10. The conclusion is that there remains a considerable gap between the \$60 billion a year needed for the urban sector and the \$25–35 billion or so provided.

¹ Connecting East Asia, WB, ADB, JBIC, August 2005.

² Information obtained from local government budgets for a number of large and small towns and cities in South and South East Asia, and from: ADB. 2001. *Cities Data Book, 2001*. Manila.

LIST OF AGENCIES RESPONSIBLE FOR URBAN DEVELOPMENT AND HOUSING IN ASIA

No.	Country	Ministry/National Institution	Department
1.	Afghanistan	Ministry of Urban Development and Housing	
2.	Bangladesh	Ministry of Housing and Public Works	National Housing Authority
3.	Cambodia	Ministry of Land Management, Urban Planning and Construction	General Department of Land Management and Urban Planning; Department of Urban Planning
4.	People's Republic of China	Ministry of Construction	Urban Construction Department
5.	India	Ministry of Urban Development and Poverty Alleviation/Shahari Vikas aur Garibi Upshaman Mantralaya	Department of Urban Development, Department of Urban Employment and Poverty Alleviation, National Institute of Urban Affairs, Central Government Employees Welfare Housing Organization; State Institutions have urban authorities, e.g., Hyderabad Urban Development Authority (UDA), Haryana UDA, Manipur Urban Development Agency, Punjab Urban Planning and Development Authority, Rajasthan Housing Board, Uttar Pradesh Housing & Development Board
6.	Indonesia	Ministry of Settlement and Regional Infrastructure (MSRI); Ministry of Home Affairs (MHA - responsible for supporting local governments in light of regional autonomy law)	Directorate General of Urban and Rural Affairs (MSRI); Directorate General of Spatial Planning (MSRI); Directorate General of Housing and Settlement (MSRI); Directorate General of Regional Development (MHA)
7.	Korea, Republic of	Ministry of Construction and Transportation	Housing Bureau, Urban Affairs Bureau
8.	Lao PDR	Ministry of Communications, Transport, Post and Construction	Urban Planning Division
9.	Malaysia	Ministry of Housing and Local Government	National Housing Department; State Institution: Penang Town and Country Planning Department
10.	Maldives	Ministry of Home Affairs, Housing and Environment	Maldives Housing and Urban Development Board
11.	Myanmar	Ministry of Construction	Department of Human Settlements and Housing Development
12.	Nepal	Ministry of Planning and Works	Urban Development and Building
13.	Pakistan	Ministry of Housing and Works	Pakistan Housing Authority
14.	Philippines	Housing and Urban Development Coordinating Council	Policy Formulation and Monitoring Group, Special Concerns Group, Post-Proclamation Group
15.	Sri Lanka	Ministry of Urban Development and Water Supply	Urban Development Authority
16.	Thailand	Ministry of the Interior	Department of Town and Country Planning
17.	Viet Nam	Ministry of Construction	National Institute for Urban and Rural Planning

**ANALYSIS OF REPORTS AND RECOMMENDATIONS OF THE PRESIDENT:
PROJECTS BEFORE AND AFTER THE URBAN SECTOR STRATEGY OF JULY 1999**

Before and after Urban Sector Strategy	N Before USS		N After USS		N 1993-2005		Multisector		WSSSWM		Other Urban Projects	
	45	1993-1999	43	1999-2005	88	Average	1993-1999	1999-2005	1993-1999	1999-2005	1993-1999	1999-2005
	N=45		N=43		N=88		N=17	N=16	N=24	N=21	N=4	N=6
Number of loans:												
1 loans	40	88.9	36	83.7	76	86.4	88.2	87.5	95.8	90.5	50.0	50.0
2 loans	3	6.7	6	14	9	10.2	11.8	12.5	4.2	9.5		33.3
3 loans	2	4.4	1	2.3	3	3.4					50.0	16.7
Country:												
Azerbaijan			1	2.3	1	1.1				4.8		
Bangladesh	2	4.4	2	4.7	4	4.5	5.9	12.5	4.2			
Bhutan	1	2.2			1	1.1	5.9					
Cambodia	1	2.2	1	2.3	2	2.3			4.2	4.8		
Cook Islands			1	2.3	1	1.1				4.8		
Fiji Islands			1	2.3	1	1.1				4.8		
Federated States of Micronesia	1	2.2			1	1.1			4.2			
India	3	6.7	6	14.0	9	10.2	11.8	18.8		4.8	25.0	33.3
Indonesia	6	13.3	1	2.3	7	8.0	23.5	6.3	4.2		25.0	
Kyrgyz Republic			1	2.3	1	1.1		6.3				
Kiribati	1	2.2			1	1.1			4.2			
Lao People's Democratic Republic	3	6.7	3	7.0	6	6.8	11.8	12.5	4.2	4.8		
Mongolia	1	2.2	2	4.7	3	3.4	5.9			4.8		16.7
Nepal	2	4.4	4	9.3	6	6.8	5.9	6.3	4.2	14.3		
Pakistan	3	6.7	2	4.7	5	5.7		12.5	8.3		25.0	
Philippines	6	13.3	4	9.3	10	11.4	17.6	12.5	8.3	4.8	25.0	16.7
Papua New Guinea			1	2.3	1	1.1				4.8		
People's Republic of China	4	8.9	6	14.0	10	11.4		6.3	16.7	19.0		
Republic of Marshall Islands	2	4.4			2	2.3			8.3			
Samoa			1	2.3	1	1.1				4.8		
Sri Lanka	2	4.4	1	2.3	3	3.4	5.9		4.2	4.8		
Thailand	3	6.7			3	3.4			12.5			
Uzbekistan			1	2.3	1	1.1				4.8		
Vanuatu	1	2.2			1	1.1	5.9					
Viet Nam	3	6.7	4	9.3	7	8.0		6.3	12.5	9.5		16.7
Single or multiple city project:												
Multi-town	24	53.3	25	58.1	49	55.7	70.6	75.0	45.8	61.9	25.0	
City ≥ 1m	14	31.1	10	23.3	24	27.3	17.6	18.8	37.5	23.8	50.0	33.3
City < 1m	6	13.3	4	9.3	10	11.4	11.8	6.3	6.7	14.3		
Finance project	1	2.2	4	9.3	5	5.7					25.0	66.7
Type of loans in project:												
Project loan	36	80.0	27	62.8	63	71.6	76.5	56.3	87.5	81.0	50.0	16.7
Sector loan	5	11.1	10	23.3	15	17.0	23.5	43.8	4.2	9.5		16.7
Development finance institution loan	1	2.2	3	7	4	4.5					25.0	50.0
Combination of policy and project loans	1	2.2	2	4.7	3	3.4				4.8	25.0	16.7
Technical Assistance Loan	2	4.4	1	2.3	3	3.4	19.3	18.2	27.3	23.9	4.5	6.8
Year of project approval:												
1993	8	17.8			8	9.1	11.8		25.0			
1994	3	6.7			3	3.4			8.3		25.0	
1995	8	17.8			8	9.1	29.4		12.5			
1996	6	13.3			6	6.8	11.8		16.7			

	N Before USS		N After USS		N 1993-2005		Multisector		WSSSWM		Other Urban Projects	
Before and after Urban Sector Strategy	45	1993-1999	43	1999-2005	88	Average	1993-1999	1999-2005	1993-1999	1999-2005	1993-1999	1999-2005
1997	12	26.7			12	13.6	23.5		25.0		50.0	
1998	8	17.8			8	9.1	23.5		12.5		25.0	
1999			6	14.0	6	6.8		12.5		14.3		16.7
2000			8	18.6	8	9.1		18.8		14.3		33.3
2001			7	16.3	7	8.0		18.8		14.3		16.7
2002			5	11.6	5	5.7		12.5		9.5		16.7
2003			14	32.6	14	15.9		25.0		42.9		16.7
2004			3	7.0	3	3.4		12.5		4.8		
Loan funding category:												
Asian Development Fund (ADF)	22	48.9	22	51.2	44	50.0	47.1	50.0	58.3	57.1		33.3
Combination of ADF and OCR			3	7.0	3	3.4		12.5		4.8		
Ordinary Capital Resources (OCR)	23	51.1	18	41.9	41	46.6	52.9	37.5	41.7	38.1	100.0	66.7
Region of Project:												
South Asia	13	28.9	15	34.9	28	31.8	35.3	50.0	20.8	23.8	50.0	33.3
Southeast Asia	12	26.7	6	14.0	18	20.5	41.2	18.8	12.5	9.5	50.0	16.7
Mekong	10	22.2	7	16.3	17	19.3	11.8	18.8	33.3	14.3		16.7
East and Central Asia	5	11.1	11	25.6	16	18.2	5.9	12.5	16.7	33.3		33.3
Pacific	5	11.1	4	9.3	9	10.2	5.9		16.7	19.0		
Sector classification (new):												
Water Supply, Sanitation, and Solid Waste Management	24	53.3	21	48.8	45	51.1			100.0	100.0		
Multi Sector	17	37.8	17	39.5	34	38.6	100.0	100.0				16.7
Finance	1	2.2	3	7.0	4	4.5					25.0	50.0
Law, Economic Management	2	4.4			2	2.3					50.0	
Transport and Communication	1	2.2	1	2.3	2	2.3					25.0	16.7
Agricultural and Natural Resources			1	2.3	1	1.1						16.7
Subsector classification:												
Multisector	18	40.0	17	39.5	35	39.8	100.0	100.0			25.0	16.7
Water Supply and Sanitation	12	26.7	12	27.9	24	27.3			50.0	57.1		
Water Supply only	9	20.0	4	9.3	13	14.8			37.5	19.0		
Wastewater and Drainage	3	6.7	5	11.6	8	9.1			12.5	23.8		
Housing Finance	1	2.2	3	7.0	4	4.5					25.0	50.0
Environment	1	2.2	1	2.3	2	2.3					25.0	16.7
Urban Transport	1	2.2	1	2.3	2	2.3					25.0	16.7
Availability in project of one or more components:												
Water supply	32	71.1	23	53.5	55	62.5	58.8	43.7	91.7	76.2	0.0	0.0
Water and Sanitation	14	31.1	8	18.6	22	25.0	52.9	25.0	20.8	19.0	0.0	0.0
Sewage	19	42.2	21	48.8	40	45.5	52.9	41.7	61.9	0.0	0.0	0.0
Solid waste management	21	46.7	17	39.5	38	43.2	88.2	68.7	25.0	28.6	0.0	0.0
Water protection (storm water, flooding)	22	48.9	21	48.8	43	48.9	82.4	75.0	33.3	42.9	0.0	0.0
Urban transport	18	40.0	11	25.6	29	33.0	94.1	62.5	0.0	0.0	50.0	16.7
Other component(s)	41	91.1	38	88.4	79	89.8	100.0	93.7	87.5	85.7	75.0	83.3
Number of different types of components:												
1	7	15.6	6	14.0	13	14.8		12.5	20.8		50.0	66.7
2	6	13.3	6	14.0	12	13.6		6.3	20.8	19.0	25.0	16.7
3	8	17.8	9	20.9	17	19.3	11.8	6.3	25.0	38.1		
more than 3	24	53.3	22	51.1	46	52.3	88.2	74.9	33.4	42.9	25.0	16.6

Before and after Urban Sector Strategy	N Before USS		N After USS		N 1993-2005		Multisector		WSSSWM		Other Urban Projects	
	45	1993-1999	43	1999-2005	88	Average 1993-1999	1999-2005	1993-1999	1999-2005	1993-1999	1999-2005	
Number of different types of agencies (national, prov. local)												
1 type of agency	22	48.9	19	44.2	41	46.6	35.3	43.8	62.5	47.6	25.0	33.3
2 types of agencies	10	22.2	18	41.9	28	31.8	23.5	50.0	25.0	38.1		33.3
3 types of agencies	9	20.0	5	11.6	14	15.9	35.3		8.3	14.3	25.0	33.3
4 or more	4	8.9	1	2.3	5	5.7	5.9	6.2	4.2	0.0	25.0	0.0
Type of Executing Agency (main such agency)												
Financial Institution	1	2.2	5	11.6	6	6.8		12.5			25.0	50.0
Local Agency	7	15.6	3	7.0	10	11.4	5.9	6.3	25.0	9.5		
Local Government	1	2.2	6	14.0	7	8.0		18.8	4.2	9.5		16.7
National Agency	2	4.4	4	9.3	6	6.8		6.3	4.2	14.3	25.0	
National Government	28	62.2	18	41.9	46	52.3	82.4	37.5	50.0	47.6	50.0	33.3
Prov. Agency	3	6.7			3	3.4	5.9		8.3			
Prov. Government	3	30.0	7	70.0	10	11.4	5.9	18.8	8.3	19.0		
Type of implementing agency (main agency)												
no implementing agency different from executing agency												
Local Agency	7	15.6	6	14.0	13	14.8	17.6	12.5	16.7	19.0		
Local Governemnt	2	4.4	3	7.0	5	5.7	5.9	12.5	4.2			16.7
National Agency	1	2.2	1	2.3	2	2.3			4.2	4.8		
National Government	4	8.9	3	7.0	7	8.0	11.8			14.3	50.0	
Prov. Agency	2	4.4			2	2.3			8.3			
Prov. Government	1	2.2	1	2.3	2	2.3	5.9	6.3				
Issues with land or right of way?												
Not described	10	22.2	11	25.6	21	23.9	5.9	18.8	25.0	19.0	75.0	66.7
Government land	16	35.6	7	16.3	23	26.1	35.3	12.5	41.7	23.8		
Private land	18	40.0	22	51.2	40	45.5	52.9	62.5	33.3	52.4	25.0	16.7
Both	1	2.2	3	7.0	4	4.5	5.9	6.3		4.8		16.7
Project cost and duration:												
Project cost estimate in \$ million	45	144.28	42	160.14	87	151.94	107.9	135.0	135.5	145.8	351.8	301.0
SF/ADF in \$ million	42	17.17	43	20.79	85	19.00	12.0	25.2	22.5	21.2	0.0	7.5
OCR in \$ million	45	57.44	43	60.60	88	58.98	54.4	61.2	40.8	41.0	170.2	127.5
Total ADB Loan in \$ million	45	73.47	43	81.39	88	77.34	66.4	86.4	62.4	62.3	170.2	135.0
# of project parts	41	3.5	37	3.3	78	3.4	3.3	3.3	3.8	3.3	3.3	3.0
Planned duration of the project in months	45	57.8	41	61.6	86	59.6	61.4	64.6	55.9	60.0	54.0	57.8
Project cost estimates (c.e.) in \$ million (average):												
civil works	43	67.15	39	71.95	82	69.43	52.94	25.00	0.00	9.52	0.00	0.00
construction supervision	43	0.46	39	0.51	82	0.48	17.65	18.75	29.17	57.14	0.00	0.00
survey, investigation, design, mapping	43	0.15	39	2.33	82	1.19	107.87	134.96	135.48	145.80	351.83	300.96
research & devel.(ext. & demonstr.)		0.00		0.00	0	0.00	12.03	25.18	22.47	21.25	0.00	7.50
instit. devel. and strengthening	43	3.94	39	1.43	82	2.75	54.37	61.19	40.82	41.03	170.22	127.50
equipm. vehicles & furniture (purch/ma)	43	13.98	39	17.76	82	15.78	66.40	86.37	62.35	62.28	170.22	135.00
for materials	43	0.65		0.00	43		3.25	3.25	3.81	3.33	3.25	3.00
for goods (eq./furn.mat.)		0.00	39	0.02	39		66.52	66.94	62.31	53.53	41.63	15.63
consulting services	43	4.15	39	3.24	82	3.72	59.60	73.88	79.97	64.16	28.78	101.25
credit	43	27.23	39	16.13	82	21.95	0.99	0.38	0.00	0.72	0.74	0.00

Before and after Urban Sector Strategy	N Before USS		N After USS		N 1993-2005		Multisector		WSSSWM		Other Urban Projects	
	45	1993-1999	43	1999-2005	88	Average	1993-1999	1999-2005	1993-1999	1999-2005	1993-1999	1999-2005
training and fellowships	43	0.35	39	0.42	82	0.38	0.30	2.56	0.06	2.62	0.00	0.00
Operations & Maint.(rec.costs)	43	0.85	39	0.17	82	0.52	0.00	0.00	0.00	0.00	0.00	0.00
financing of NGOs	43	0.12	39	0.05	82	0.09	3.31	2.30	2.53	0.91	14.38	0.43
implementation assistance	43	0.64	39	1.48	82	1.04	8.88	13.32	20.47	24.14	0.00	5.20
Project Management Office	43	0.02	39	0.52	82	0.26	0.00	0.00	1.28	0.00	0.00	0.00
land acq.	43	2.46	39	9.09	82	5.62	0.00	0.00	0.00	0.05	0.00	0.00
capital goods		0.00		0.00	0		3.73	2.97	4.71	3.81	2.80	1.63
incremental administrative costs	43	1.18	39	2.12	82	1.62	1.47	2.62	0.00	0.00	286.50	146.75
initial working capital		0.00		0.00	0		0.12	0.49	0.01	0.44	3.23	0.00
resettlement costs in	43	2.94	39	7.26	82	5.00	1.79	0.35	0.27	0.04	0.00	0.00
other base costs in	43	1.30	39	2.46	82	1.85	0.24	0.12	0.05	0.00	0.00	0.00
estimated valid base cost*	43	127.59	39	136.93	82	132.04	0.88	1.21	0.33	2.02	1.35	0.00
estimated total project base costs**	43	127.59	40	134.06	83	130.71	0.00	0.50	0.00	0.58	0.25	0.33
non-base costs in	43	21.93	40	31.19	83	26.39	3.59	5.20	1.97	4.79	0.38	45.13
estimated total project cost	43	150.35	40	165.93	83	157.86	0.00	0.00	0.00	0.00	0.00	0.00
Estimated soft costs in project	43	14.35	40	18.54	83	16.37	1.50	0.95	0.94	3.52	1.15	0.13
Estimated hard costs in project	43	84.71	40	96.83	83	90.55	0.00	0.00	0.00	0.00	0.00	0.00
Est. soft component costs in project	35	47.09	33	25.49	68	36.61	0.1	1.7	5.7	13.5	0.0	0.0
Est. hard component costs in project	35	80.28	33	73.57	68	77.02	0.1	1.5	2.4	1.9	0.0	8.7
Involvement of agencies, consultants, and beneficiaries:												
Number of EAs	42	2.3	43	3.0	85	2.7	86.6	110.1	120.7	123.2	339.5	309.6
Number of different types of agencies involved	45	1.9	43	1.7	88	1.8	86.6	110.1	120.7	118.2	339.5	309.6
Frequency of PMU or PIU (%)	45	91.1	43	81.4	88	86.4	20.3	29.9	25.9	32.3	7.1	30.6
Frequency of consultants in project (%)	45	97.8	43	95.3	88	96.6	106.9	140.0	147.3	152.2	351.8	338.7
International consultants (person months)	38	95.3	38	96.0	76	95.7	12.0	13.1	14.6	27.4	23.2	2.0
Domestic consultants (pm)	38	785.1	38	901.7	76	843.4	73.1	92.8	103.7	93.8	29.9	121.3
Total consultant months used	41	821.8	39	987.0	80	902.4	11.2	15.2	18.4	9.6	296.8	156.6
management purposes? (PMC) (%)	45	75.6	42	64.3	87	70.1	84.5	85.3	85.7	68.9	42.8	38.3
Consulting Services for Proj Mgt (Total pm for PMC)	45	106.4	43	287.8	88	195.1	3.0	3.3	4.2	3.6	3.3	3.0
International consultants in PMC (% of projects)	45	29.1	43	21.1	88	25.2	1.6	3.3	2.7	2.4	4.0	4.7
Domestic consultants in PMC (% of projects)	45	73.2	43	246.3	88	157.8	2.1	1.8	1.5	1.7	3.3	2.0
advisory project related (% of projects)	45	20.0	43	4.7	88	12.5	100.0	93.8	91.7	81.0	50.0	50.0
Design and Supervision Engineers (% of projects)	45	82.2	43	58.1	88	70.5	100.0	100.0	100.0	100.0	75.0	66.7
Months of DSE involvement	45	405.6	43	249.8	88	329.5	85.8	70.3	103.5	123.1	90.0	43.3
training/Community program consultants (% of projects)	45	51.1	43	55.8	88	53.4	868.6	1179.3	693.3	670.9	1036.0	1052.0
training / community program consultants in months	45	93.5	43	91.6	88	92.6	903.8	1208.0	730.8	794.0	1126.0	1095.3
other consultancy in months (% of projects)	45	44.2	43	103.2	88	73.0	94.1	68.8	66.7	61.9	50.0	60.0
Attached TA (% of all projects)	45	37.8	43	25.6	88	31.8	187.9	493.3	64.4	209.3	12.0	15.0
TA Amount (\$ 000s)	45	242.52	43	199.79	88	221.64	42.5	20.9	22.4	25.0	12.0	8.0
International (consultants)	45	5.1	43	3.7	88	4.4	134.5	419.9	42.0	183.5	0.0	3.0

	N Before USS			N After USS			N 1993-2005	Multisector	WSSSWM		Other Urban Projects	
Before and after Urban Sector Strategy	45	1993-1999	43	1999-2005	88	Average	1993-1999	1999-2005	1993-1999	1999-2005	1993-1999	1999-2005
Domestic (consultants)	45	4.7	43	9.3	88	6.9	41.2	0.0	8.3	4.8	0.0	16.7
Total consultants	45	9.7	43	13.0	88	11.3	76.5	62.5	91.7	61.9	50.0	33.3
Projects with other external co-financiers (%)	45	20.0	43	23.3	88	21.6	575.1	297.7	353.1	284.7	0.0	0.0
Amount cofinanced by external agencies (\$m)	45	2.35	43	6.95	88	4.59	76.5	68.8	33.3	52.4	50.0	33.3
Headcount of city populations	45	2,256,569	43	1,467,419	88	1,870,961	2,310,271	1,863,813	1,335,250	1,377,952	7,556,250	723,500
Headcount of poor addressed by project	27	527,990	35	281,390	62	388,780	614,333	253,856	372,646	334,344	1,425,000	152,700
Components per project (averages):							150.3	213.4	348.2	175.0	0.6	250.0
Number of water supply components	45	2.6	43	1.5	88	2.1	2.6	2.4	7.1	4.2	3.5	5.5
number of public/private toilet components	45	0.4	43	0.2	88	0.3	4.4	9.3	5.2	6.3	3.0	20.0
Number of sewage components	45	0.7	43	1.2	88	1.0	6.9	11.7	12.2	10.5	6.5	25.5
number of solid waste management components	45	0.7	43	0.6	88	0.7	29.4	31.3	12.5	23.8	25.0	0.0
number of water protection components	45	0.9	43	1.0	88	1.0	1.2	1.7	3.3	12.9	1.5	0.0
number of urban transport components	45	0.8	43	0.5	88	0.6	2310270.6	1863812.5	1335250.0	1377952.4	7556250.0	723500.0
number of other components	45	3.0	43	3.1	88	3.1	614333.3	253855.7	372646.2	334344.3	1425000.0	152700.0
number of different types of components	45	3.8	43	3.3	88	3.5	31.8	21.7	35.7	24.0	#N/A	43.4
Projects with subcomponents (%):							17.0	13.8	10.6	15.7	2.0	82.9
New Water Supply system	45	26.7	43	14.0	88	20.5	0.0	6.2	3.4	16.1	3.3	1.7
Rehabilitation of Water Supply	45	44.4	43	30.2	88	37.5	0.3	0.0	0.8	9.7	0.0	1.6
Expansion of existing Water Supply	45	48.9	43	37.2	88	43.2	0.0	0.0	0.0	3.8	0.0	0.0
water storage	45	17.8	43	7.0	88	12.5	1.2	2.0	3.3	9.1	1.5	0.4
well/dam development	45	22.2	43	7.0	88	14.8	7.7	4.8	21.5	8.5	203.0	37.8
water treatment	45	51.1	43	30.2	88	40.9	11.8	0.0	4.2	0.0	25.0	16.7
water transmission/distribution	45	53.3	43	27.9	88	40.9	35.3	12.5	75.0	47.6	0.0	0.0
<i>One or more water supply components</i>	45	71.1	43	53.5	88	62.5	58.8	43.8	91.7	76.2	0.0	0.0
private toilets	45	4.4	43	4.7	88	4.5	11.8	6.3	0.0	4.8	0.0	0.0
public toilets	45	31.1	43	18.6	88	25.0	52.9	25.0	20.8	19.0	0.0	0.0
<i>one or more toilet / latrine components</i>	45	31.1	43	18.6	88	25.0	52.9	25.0	20.8	19.0	0.0	0.0
sewage collection/treatment	45	42.2	43	44.2	88	43.2	52.9	43.8	41.7	57.1	0.0	0.0
sewer, new	45	6.7	43	18.6	88	12.5	5.9	25.0	8.3	19.0	0.0	0.0
sewer, rehab	45	13.3	43	23.3	88	18.2	17.6	18.8	12.5	33.3	0.0	0.0
sewer, expansion	45	11.1	43	32.6	88	21.6	11.8	25.0	12.5	47.6	0.0	0.0
<i>One or more sewerage components</i>	45	42.2	43	48.8	88	45.5	52.9	50.0	41.7	61.9	0.0	0.0
solid waste, domestic/public	45	46.7	43	39.5	88	43.2	88.2	68.8	25.0	28.6	0.0	0.0
solid waste, industrial	45	26.7	43	20.9	88	23.9	58.8	31.3	8.3	19.0	0.0	0.0
<i>One ore more solid waste components (domestic/industrial)</i>	45	46.7	43	39.5	88	43.2	88.2	68.8	25.0	28.6	0.0	0.0
drainage, household	45	42.2	43	37.2	88	39.8	76.5	62.5	25.0	28.6	0.0	0.0
storm drainage	45	20.0	43	25.6	88	22.7	47.1	43.8	4.2	19.0	0.0	0.0
flooding prevention	45	15.6	43	18.6	88	17.0	35.3	31.3	4.2	14.3	0.0	0.0
waterlogging prevention	45	8.9	43	16.3	88	12.5	17.6	25.0	4.2	14.3	0.0	0.0
water resource devt/protection	45	4.4	43	7.0	88	5.7	0.0	6.3	8.3	9.5	0.0	0.0

Before and after Urban Sector Strategy	N Before USS		N After USS		N 1993-2005	Multisector		WSSSWM		Other Urban Projects		
	45	1993-1999	43	1999-2005	88	Average 1993-1999	1999-2005	1993-1999	1999-2005	1993-1999	1999-2005	
<i>logging / water resource development</i>	45	48.9	43	48.8	88	48.9	82.4	75.0	33.3	42.9	0.0	0.0
environmental management	45	31.1	43	25.6	88	28.4	41.2	37.5	25.0	19.0	25.0	16.7
air pollution control	45	6.7	43	4.7	88	5.7	5.9	6.3	4.2	0.0	25.0	16.7
other WSS/envi	45	8.9	43	14.0	88	11.4	5.9	18.8	12.5	14.3	0.0	0.0
Urban Transport (roads)	45	40.0	43	25.6	88	33.0	94.1	62.5	0.0	0.0	50.0	16.7
Urban Transport (bridges)	45	15.6	43	14.0	88	14.8	35.3	31.3	0.0	0.0	25.0	16.7
Urban Transport (railways)	45	0.0	43	0.0	88	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Urban Transport (public transport)	45	2.2	43	0.0	88	1.1	5.9	0.0	0.0	0.0	0.0	0.0
Urban Transport (traffic management)	45	15.6	43	7.0	88	11.4	41.2	12.5	0.0	0.0	0.0	16.7
Urban Transport (planning)	45	2.2	43	4.7	88	3.4	5.9	6.3	0.0	0.0	0.0	16.7
other urban transport	45	2.2	43	0.0	88	1.1	5.9	0.0	0.0	0.0	0.0	0.0
<i>One or more urban transport components</i>	45	40.0	43	25.6	88	33.0	94.1	62.5	0.0	0.0	50.0	16.7
public housing	45	6.7	43	11.6	88	9.1	11.8	12.5	0.0	0.0	25.0	50.0
Land development	45	2.2	43	4.7	88	3.4	5.9	6.3	0.0	4.8	0.0	0.0
heating	45	2.2	43	2.3	88	2.3	5.9	0.0	0.0	4.8	0.0	0.0
slum development	45	8.9	43	14.0	88	11.4	17.6	31.3	0.0	0.0	25.0	16.7
market development	45	13.3	43	7.0	88	10.2	35.3	18.8	0.0	0.0	0.0	0.0
bus terminal	45	8.9	43	4.7	88	6.8	23.5	12.5	0.0	0.0	0.0	0.0
street lights	45	2.2	43	4.7	88	3.4	5.9	12.5	0.0	0.0	0.0	0.0
urban renewal	45	2.2	43	2.3	88	2.3	5.9	6.3	0.0	0.0	0.0	0.0
slaughterhouse	45	2.2	43	4.7	88	3.4	5.9	12.5	0.0	0.0	0.0	0.0
housing finance	45	6.7	43	14.0	88	10.2	11.8	12.5	0.0	0.0	25.0	66.7
urban finance	45	4.4	43	16.3	88	10.2	5.9	25.0	0.0	9.5	25.0	16.7
municipal taxation (property tax, road tax, etc.)	45	20.0	43	14.0	88	4.5	52.9	25.0	0.0	9.5	0.0	0.0
Tariff and user charges studies	45	22.2	43	34.9	88	28.4	17.6	18.8	29.2	57.1	0.0	0.0
bond market development	45	0.0	43	0.0	88	0.0	0.0	0.0	0.0	0.0	0.0	0.0
crime/drug use/safety	45	0.0	43	0.0	88	0.0	0.0	0.0	0.0	0.0	0.0	0.0
social work	45	0.0	43	0.0	88	0.0	0.0	0.0	0.0	0.0	0.0	0.0
public health	45	33.3	43	9.3	88	21.6	35.3	12.5	33.3	9.5	25.0	0.0
land admin/tenure/regulation	45	4.4	43	9.3	88	6.8	11.8	12.5	0.0	4.8	0.0	16.7
institutional development												
/capacity development	45	82.2	43	83.7	88	83.0	94.1	93.8	79.2	81.0	50.0	66.7
training, workshops	45	35.6	43	25.6	88	30.7	35.3	37.5	33.3	23.8	50.0	0.0
policy development	45	22.2	43	25.6	88	23.9	17.6	37.5	16.7	14.3	75.0	33.3
info dissemination	45	13.3	43	11.6	88	12.5	11.8	6.3	16.7	19.0	0.0	0.0
public awareness	45	33.3	43	41.9	88	37.5	35.3	43.8	33.3	47.6	25.0	16.7
others	45	13.3	43	14.0	88	13.6	11.8	25.0	16.7	9.5	0.0	0.0
<i>One or more other components</i>	45	91.1	43	88.4	88	89.8	100.0	93.8	87.5	85.7	75.0	83.3
average number of different sub-components per project	45	12.4	43	10.9	88	11.7	17.4	14.1	10.1	10.4	5.0	4.2
Issues of interest in RRP:												
Is there a project framework? (%)	43	58.2	42	100.0	85	78.8	76.5	100.0	39.2	100.0	100.0	100.0
Is there an Initial Social Assessment? (%)	42	83.3	43	97.7	85	90.6	88.2	100.0	87.0	95.2	0.0	100.0
Are there resettlement issues? (%)	45	28.9	43	55.8	88	42.0	35.3	62.5	29.2	57.1	0.0	33.3
Is there a Resettlement Action Plan? (%)	45	28.9	43	72.1	88	50.0	35.3	87.5	25.0	71.4	25.0	33.3
major private land still required (>100 ha) (%)	45	0.0	43	18.6	88	9.1	0.0	25.0	0.0	14.3	0.0	16.7
land/right of way issues raised? (%)	45	1.2	43	1.4	88	1.3	1.6	1.6	1.1	1.4	0.5	0.8

Before and after Urban Sector Strategy	N Before USS		N After USS		N 1993-2005	Multisector		WSSSWM		Other Urban Projects		
	45	1993-1999	43	1999-2005	88	Average	1993-1999	1999-2005	1993-1999	1999-2005	1993-1999	1999-2005
Are there gender considerations? (%)	45	51.1	43	76.7	88	63.6	29.4	93.8	66.7	71.4	50.0	50.0
active gender strategy in RRP? (%)	41	24.4	42	52.4	83	38.6	11.8	56.3	31.8	60.0	50.0	16.7
NGOs involved in implementation or attached TA? (%)	43	30.2	43	51.2	86	40.7	35.3	68.8	20.8	42.9	100.0	33.3
Share of civil works in total base cost (%)	35	59.6	31	44.3	66	52.4	60.9	49.8	62.1	39.0	37.7	62.5
Share of poor in total urban population (%)	17	33.4	4	34.5	21	33.6	31.8	44.0	35.7	24.9		
Financing of project:												
Co-financed amount by national government in \$m	45	26.4	43	19.7	88	23.1	15.3	21.7	34.0	20.5	27.6	11.8
Co-financed amount by local government in \$m	45	12.3	43	24.4	88	18.2	17.0	13.8	10.6	15.7	2.0	82.9
Co-financed amount by state banks in \$m	45	2.1	43	10.4	88	6.1	0.0	6.2	3.4	16.1	3.3	1.7
Co-financed amount by national government in \$m	45	0.5	43	5.0	88	2.7	0.3	0.0	0.8	9.7	0.0	1.6
Co-financed amount by International Financial Institutions in \$m	45	0.0	43	1.9	88	0.9	0.0	0.0	0.0	3.8	0.0	0.0
Co-financed amount by bilateral agencies in \$m	45	2.3	43	5.2	88	3.8	1.2	2.0	3.3	9.1	1.5	0.4
Co-financed amount by other sources in \$m	45	32.4	43	11.2	88	22.0	7.7	4.8	21.5	8.5	203.0	37.8
TA attached to project financed by other agencies (%)	45	8.9	43	2.3	88	5.7	11.8	0.0	4.2	0.0	25.0	16.7

* excludes cases where only total base costs was known, but not the break down across cost items.

** includes cases where only total base costs was known, but not the break down across cost items.

ASIAN DEVELOPMENT BANK PUBLICATIONS IN THE URBAN SECTOR, 1993–2005, ANNOTATED

Year/Title	Author	Themes/Subject	Category*	Remarks
1993				
1. Urbanization, Population Distribution and Economic Development in Asia	Ernesto Pernia	Spatial population distribution, recent trends in and patterns of urbanization, population growth and economic development	EDRC Report Series (ER)	
2. Asia's Megacities Pose Planning Challenge		Challenges and priorities for productive and efficient urbanization	ADB Review Article	Theme discussed in 1992 ADB Annual Report
3. Bank Project in Indonesia Improves Lives of Urban Poor	Carola Molitov	Urban water and environmental sanitation	ADB Review Article	
4. Water Utilities Data Book (Asian and Pacific Region)		1990/1991 data from 38 water utilities in 23 developing member countries	BPSR	
1994				
5. Escaping the Poverty Trap: Lessons from Asia		Overview of poverty in developing Asia; rural poverty; urban poverty	BPSR	Product of ADB's TA and research
6. Urban Poverty in Asia: a Survey of Critical Issues	Edited by Ernesto Pernia	Urbanization and urban poverty - patterns of urbanization, characteristics of the urban poor, their access to housing and social and physical infrastructure, labor market, and the urban physical environment; contains case studies on Bangladesh, India, Indonesia, Republic of Korea, Philippines, Sri Lanka & Thailand	BPSR	Issue papers in the book also appeared in the Asian Development Review 1994, Vol 12, No. 1; Copublished with Oxford University Press; Comes as a sequel to the volume on rural poverty
7. Framework for the Economic and Financial Appraisal of Urban Development Sector Projects		Project appraisal	Guidelines, Handbooks and Manuals	In 1993, a related article entitled "Framework Set for Assessing Urban Projects" appeared in the ADB Review
8. Urban Poverty: How Bad is it?		Extent of urban poverty in 21 secondary towns surveyed in Bangladesh; economic, social and environmental aspects of urban poverty	ADB Review Article	
1995				
9. Managing Water Resources to Meet Megacity Needs		Issues relating to urbanization and its effects on water resources and sanitation beyond the decade; case studies of 8 developing-country megacities (Bangkok, Beijing, Delhi, Dhaka, Jakarta, Karachi, Manila, Seoul and overview of 3 developed-country megacities (London, Singapore, Tokyo)	Conference Papers and Proceedings	Represents the proceedings of a regional consultation sponsored by ADB in June 1990
10. Demographic and Socio-economic Determinants of Contraceptive Use among Urban Women in the Melanesian Countries in the South Pacific: A Case Study of Port Villa Town in Vanuatu	T.K. Jayaraman		EDRC Occasional Papers	

Year/Title	Author	Themes/Subject	Category*	Remarks
11. Bangladesh Urban Sector Strategy Study: Shelter Sector Profile 1996		Urban development and housing	BPSR	
12. Megacity Management in the Asian and Pacific Region: Policy Issues and Innovative Approaches (Vol 1 - Recommendations of the Working Groups, Theme Papers, and Case Studies; Vol 2 - City and Country Case Studies)	Edited by Jeffrey Stubbs and Giles Clarke	Vol 1 -major themes underlying effective megacity management: institutional dimensions; environmental, transportation and land management; private sector participation; and resource mobilization vol 2- experiences of 10 Asian megacities: Bangkok, Calcutta, Dhaka, Jakarta, Karachi, Manila, Seoul, Shanghai, Tokyo and Toronto	Conference Papers and Proceedings	Proceedings of the Regional Seminar on Megacities Management in Asia and the Pacific
13. Urban Infrastructure Finance	Edited by Royston A.C. Brockman and Allen Williams	Best practices in the region in urban investments for housing, water supply, sanitation, sewerage treatment and disposal, solid waste management, and roads and public transport; raising finance for urban development	BPSR	Proceedings of the Regional Seminar on Urban Infrastructure Finance
14. Towards Effective Water Policy in the Asian and Pacific Region	Edited by Wouter Lincklaen, et. al.	Vol 3 - theme papers and comments in the following areas: country institutional context, basin management, urbanization, and the economic and financial context	Conference Papers and Proceedings	
15. Megacities: Preparing to Meet the Challenge		Issues in urbanization; important elements in the management of megacities: governance, development policy & investment coordination, management of assets & services, fiscal and regulatory functions, and monitoring functions	ADB Review Article	
16. Boom City's Water Woes	Ian A. Gill	Water supply issues in Ho Chi Minh City	ADB Review Article	
17. BOT in the Water Supply Sector in the People's Republic of China (PRC)		Presents 19 papers on experiences, issues and lessons related to innovative private-sector-participation in the water supply sector in PRC		Proceedings of the Seminar on BOT in the Water Supply Sector
18. The Future of Asian Cities: Urban Management and Finance 1997		Urban management and finance	BPSR	Report of 1996 Annual Meeting Seminar on Urban Management and Finance
19. Environmental Impact Assessment for Developing Countries in Asia		Vol 2 - selected case studies in urban improvement projects in 8 countries	BPSR	
20. Financing Local Government in the People's Republic of China	Christine P.W. Wong	City (prefectural), county and township finance	BPSR	
21. Addressing the Urban Poverty Agenda in Bangladesh: Critical Issues and the 1995 Survey Findings	Edited by Narzul Islam, et. Al..	Urban sector's contribution to the national economy, urbanization trends, access by the poor tp health, education, housing, civic services and credit	BPSR	Published by the University Press Limited, Dhaka, Bangladesh
22. Rural-Urban Transition in Vietnam: Some Selected Issues	Sudipto Mundle and Brian Van Arkadie	Urban development and housing	EDRC Occasional Paper	

Year/Title	Author	Themes/Subject	Category*	Remarks	
23.	Aspects of Urban Water and Sanitation in the Context of Rapid Urbanization in Developing Asia	Ernesto M. Pernia and Stella LF. Alabastro	Urban water and sanitation	EDRC Economic Staff Papers (ES)	One of the background papers for Emerging Asia: Changes and Challenges
1998					
24.	Forum on Municipal Management		Governance, urban management	CBT Executive Summary Series 1998-2002	Published by ADBI
25.	Working with Local Governments in the Philippines	Armin Bauer	Problems and opportunities in decentralization	ADB Review Article	
26.	India Urban Sector Strategy		Urban situation, investment needs, policy issues, capacity building requirements	BPSR	
27.	Lao People's Democratic Republic Urban Sector Strategy Study		Data and statistics, indicators, and descriptive information on urban areas; strategies and policies; basis for future sectoral assistance	BPSR	
1999					
28.	Asian Cities in the 21 st Century: Contemporary Approaches to Municipal Management	Edited by Navel Hamid & Mildred Villareal	Vol 1- Leadership and Change in City Management (leadership, vision, mission, planning and customer focus; applications of these concepts to municipal problems and change facilitation); vol 2 - Municipal Management Issues in South Asia (organizational problems in Lahore; review of municipal reforms and urban governance issues in India and Sri Lanka); vol 3 - Reforming Dhaka City Management (institutional issues, financial management & solid waste management in Dhaka; recommendations on organizational reforms)	BPSR	Vol 1 – co-published with ADB Institute; proceedings of a Forum in Tokyo, Japan; Vol 2 - Proceedings of a seminar in Lahore, Pakistan; Vol 3 - proceedings of a seminar in Dhaka, Bangladesh
29.	Development and Management of Cities: Networking and Cooperation		Urban development and housing	Conference Papers and Proceedings	Proceedings of the seminar on The Development and Management of Cities: Establishing Networks and Cooperation
30.	Cambodia Urban Sector Strategy Study		Demographic, economic, social, institutional, legal, environmental, and financial aspects of the sector; current conditions of the urban physical infrastructure; major development issues in the sector and government policies; summary of assistance to the sector (including ADB); ADB's operational strategies in the sector	BPSR	

Year/Title	Author	Themes/Subject	Category*	Remarks
31. Philippine Urban Sector Profile		Urban situation, development trends, problems, and potential for improvement; priority areas for policy and program development; and strategy for ADB intervention and program development in the sector; ADB's operational strategies in the sector	BPSR	
32. Asian Mayors' Forum: Colombo Session		Governance, urban management	CBT Executive Summary Series 1998-2002	Published by ADBI
33. Asian Mayors' Forum: Enhancing Municipal Service Delivery Capability		Governance, urban management	CBT Executive Summary Series 1998-2002	Published by ADBI
34. Urban Sector Strategy		Urban development and housing	Policy Papers	
35. People's Republic of China Urban Sector Review		Urban development and housing	BPSR	
36. Urban Sector Profile: Mongolia		Basic information in urban development and housing; urban development and housing sector strategy; key sector issues and problems, opportunities for development		
2000				
37. Asian Cities in the 21 st Century: Contemporary Approaches to Municipal Management	Edited by Naved Hamid, Nivesh Mekta and Mildred Villareal	Vol 4 - Partnership for Better Municipal Management	Conference Papers and Proceedings	Co-published with ADBI; proceedings of a forum in Colombo, Sri Lanka
38. Balancing Development		Urban development and housing	ADB Review Article	
39. Making Cities Work: Urban Policy and Infrastructure in the 21 st Century, People's Republic of China		Urban development trends, conditions, and issues; views and perspectives from national agencies and local governments in the PRC	Conference Papers and Proceedings	Proceedings of the Urban Policy Workshop in the PRC
40. Managing Urban Change: Strategic Options for Municipal Governance and Finance in the People's Republic of China		Problems with the PRC's system of municipal public finance; describes international experience and policy changes for improving municipal government capacity in dealing with urbanization and market reforms	BPSR	
41. Sri Lanka Urban Development Sector Study		Urban development and housing	BPSR	Also appeared as Sector Profile document in 2000

Year/Title	Author	Themes/Subject	Category*	Remarks
42. Gender Checklist in Urban Development and Housing		Gender considerations in water supply and sanitation projects in the urban development and housing sector	Guidelines, Handbooks and Manuals	Accompaniment to the Handbook for Incorporation of Social Dimensions in Projects (1994), Guidelines on BME, Briefing Papers on Women in Development, and Water Supply & Sanitation Projects
2001				
43. Participatory Poverty Assessment: Cambodia		Cambodia participatory poverty assessment in village and urban settings	BPSR	
44. Asian Cities in the 21 st Century: Contemporary Approaches to Municipal Management	Edited by Naved Hamid and Mildred Villareal	Vol 5 - Fighting Urban Poverty	Conference Papers and Proceedings	Proceedings of a forum in Shanghai, PRC
45. Urban Indicators for Managing Cities: Cities Data Book	Edited by Matthew S. Westfall and Victoria A. de Villa	Urban development and housing	BPSR	
46. Urban Poverty Reduction Issues		Poverty reduction, urban management	CBT Executive Summary Series 1998-2002	Published by ADB Institute
47. Nepal Urban Development Sector Study		Urban socioeconomic and physical conditions, policy, institutional, financial framework and capacities of sector institutions, dynamics and constraints of urban development; key issues and sector needs	BPSR	
48. Urban Sector Profile: Indonesia		Urban development trends, problems, and potential for improvement; priority areas for policy and program development; and strategy for ADB intervention and program development in the sector; ADB's operational strategies in the sector	BPSR	
49. Water Supply and Sanitation Sector Profile: Kyrgyz Republic		Sector situationer, institutions, policies and program priorities	BPSR	
50. Housing Finance for the Poor: Indonesia		Current state of Indonesian housing and shelter sector; opportunities and constraints posed by decentralization of powers and housing responsibilities in Indonesia; structural weaknesses in the housing and associated urban development markets; potential areas for Asian Development Bank assistance		

	Year/Title	Author	Themes/Subject	Category*	Remarks
51.	Developing Best Practices for Promoting Private Sector Investment in Infrastructure: Roads		Features of water supply, need and options for private sector participation, and institutional structures and incentives; recommends a framework and best practices for moving to private sector participation in water supply.	BPSR	One of a 5-volume set: roads, power, airport and air traffic control, ports
52.	Regulatory Systems and Networking: Water Utilities and Regulatory Bodies		Main issues and policy approaches in the sector, new concept of regulatory bodies for more autonomous & efficient water utilities in Asia	BPSR	Proceedings of the Regional Forum on Regulatory Systems & Networking of Water Utilities and Regulatory Bodies; Complements the earlier ADB publication on Water Utility Data Books for the Asian & Pacific Region (1993, 1997)
	2002				
53.	Beyond Boundaries: Extending Services to the Urban Poor	Edited by Almud Weitz and Richard Franceys	Approaches to public-private-community partnerships to serve the urban poor in water supply, sanitation and solid waste management	BPSR	
54.	Taking Charge		Urban development and housing	ADB Review Article	
55.	Asia 2015: Mega Trends			ADB Review Article	
56.	Urban Poverty: Combating Poverty in the Cities		Urban poverty	ADB Review Article	
57.	Urban Development: Planning with the Poor		Urban development and housing, poverty reduction/alleviation	ADB Review Article	
58.	Urban Governance for Poverty Reduction and Social Development : Tools, Techniques and Good Practices		Governance, poverty reduction, urban management	CBT Executive Summary Series 1998-2002	Published by ADB Institute
59.	Indonesia: Housing Finance for the Urban Poor	Michael R. Lindfield	Urban development and housing; opportunities and constraints posed by decentralization of powers and housing responsibilities; weaknesses in the housing and urban development markets	BPSR	
60.	Intergovernmental Fiscal Transfers in Asia: Current Practice and Challenges for the Future	Edited by Paul Smoke, Yun-Hwan Kim	Pertinent theories, international experiences, evolution of fiscal equalization arrangements between central governments & provincial or state governments; rationale, problems and issues in India, Pakistan, Philippines, Cambodia & Indonesia	BPSR	Reports (except Cambodia & Indonesia) were discussed in the Conference on Intergovernmental Fiscal Transfers for Equitable In-Country Growth, India

	Year/Title	Author	Themes/Subject	Category*	Remarks
	2003				
61.	Asian Water Supplies: Reaching the Urban Poor	Arthur C. McIntosh	Myths, misconceptions, realities, problems and solutions for water supply provision	BPSR	A guide and sourcebook on urban water supplies in Asia for governments, utilities, consultants, development agencies and NGOs; First guide and sourcebook of its kind dealing with water supplies;
62.	Case Study on the Financial Sector Program and Education Sector Project in Samoa and Urban Infrastructure Project and Comprehensive Reform Program in Vanuatu		Urban development and housing, education, finance, infrastructure	BPSR	
63.	Voice of the Urban Poor - Report on Participatory Urban Poverty Analysis in Beijing		Urban poverty	BPSR	
64.	Hiking Tariffs to Help the Poor		Water supply (urban), poverty reduction	ADB Review Article	
65.	Building on Success		Water supply (urban and rural)	ADB Review Article	
66.	Water and Asian Cities: Connecting the Poor		Water (urban)	ADB Review Article	
67.	Decentralisation in Indonesia: Redesigning the State	Mark Turner and Owen Podger with Maria Sumardjono and Wayan K. Tirthayasa	Lessons emerging from Indonesia's decentralisation program and suggestions for good governance through regional autonomy	BPSR	Co-published with Asia Pacific Press
68.	Local Government Finance, Private Resources, and Local Credit Markets in Asia	Roberto de Vera and Yun-Hwan Kim	Problems in local government finance for urban and rural economies; development of municipal credit markets to mobilize private savings for long-term infrastructure projects	ERD Working Paper No. 46	
69.	Local Government Finance and Bond Markets	Yun Hwan Kim	Domestic bond markets as viable alternative source of financing for development projects; urbanization and urban infrastructure; comparative assessment of bond financing and bank financing by local governments	Special Studies	Co-published with Oxford University Press
70.	Urban Sector Profile: Uzbekistan		Review of subsectors; investment program	BPSR	
71.	Water Supply and Sanitation Sector Profile: Republic of Kazakhstan		Situationer, institutions, policies and program priorities	BPSR	

	Year/Title	Author	Themes/Subject	Category*	Remarks
	2004				
72.	City Development Strategies to Reduce Poverty	Allen Williams	Strategic development approaches that meet perceived needs through public participation & stakeholder involvement; guidelines in formulating City Development Strategy (CDS) & Cities Without Slums (CWS)	BPSR	
73.	Urban Malnutrition		Poverty reduction/alleviation	ADB Review Article	
74.	Small Piped Water Networks: Helping Local Entrepreneurs to Invest		Water supply (urban and rural)	BPSR	
75.	A Cleaner City			ADB Review Article	
76.	Houses of Their Own		Housing construction	ADB Review Article	
77.	Water for All Series	Edited by Charles T. Andrews and Cesar E. Yniguez	Series 10 - Water in Asian Cities: Utilities' Performance and Civil Society Views Series 13 - Small Piped Water Networks - Helping Local Entrepreneurs to Invest (City)	BPSR	
78.	Upgrading Urban Communities- A Resource for Practitioners		Urban management	CD-ROM Reviews	Published by ADBI
79.	Labor Market Distortions, Rural-Urban Inequality, and the Opening of People's Republic of China's Economy	Thomas Hertel and Fan Zhai	Impact of some key factor market reforms on rural-urban inequality and income distribution	ERD Working Paper Series No. 59	
80.	The Garbage Book (Solid Waste Management in Metro Manila)	Matthew S. Westfall and Nicholas Allen	Solid waste management	BPSR	Winner of the Bronze Anvil Award, the overall public relations (PR) tools award given by the Public Relations Society of the Philippines (PRSP) during its 40 th Anvil Awards in March 2005
	2005				
81.	Decentralisation and Strategic Planning at the Local Government Level and A Tale of Two Cities		Capacity building, governance	Conference and Seminar Materials 2003-onwards	Published by ADBI
82.	Environmental Strategies for Cities		Environment, urban management	CD-ROM Reviews	Published by ADBI
83.	Tools to Support Participatory Urban Decision-Making		Urban management	CD-ROM Reviews	Published by ADBI

ADB = Asian Development Bank, BPSR = Books, Publications, Studies and Reports.

Source: Asian Development Bank website.

ASIAN DEVELOPMENT BANK RATINGS OF COMPLETED URBAN SECTOR PROJECTS

Table SAF.1: Project Completion Report Rating of Urban Sector Projects

Criteria/ Rating	Single City Project (23)	Multi City Project (26)*	Other Urban Projects (2)	All Urban Projects (51)
(In % of maximum score) ^a				
Relevance	84	79	67	77
Efficacy	65	58	67	63
Efficiency	58	56	67	60
Sustainability	55	45	50	50
Other Impacts	54	50	67	57
% of projects				
Highly successful	22	4	0	12
(Generally) Successful	57	81	50	69
Partially Successful	22	8	50	16
Unsuccessful	0	8	0	4
Total	100	100	100	100
Average success rating**	66.7	60.3	50.0	62.7

* 19 investment projects, and 7 sector projects.

** Average success rating in % of maximum score.

The multisector sector projects had an average success rating of 57.1.

The multisector investment projects had an average success rating of 61.4.

Table SAF.2: Project Performance Audit Report Rating of Urban Sector Projects

Criteria/ Rating	Single City Project (8)	Multi City Project (7)	All Projects (15)
(In % of maximum score) ^a			
Relevance	83	67	75
Efficacy	67	57	62
Efficiency	67	43	55
Sustainability	58	33	46
Other Impacts	50	38	44
(% of Projects)			
Highly Successful	25	0	13
Successful/GS	50	43	47
Partially Successful	25	57	40
Unsuccessful	0	0	0
Total	100	100	100
Average success rating**	70.8	47.6	60.0

^a Based on the weighted criteria followed by ADB: relevance=20%, efficacy=25%, efficiency=20%, sustainability=20%, other impacts=15%, with a rating scale of 0-3, e.g., highly relevant (3), relevant (2), partly relevant (1), irrelevant (0).

* 14 investment projects, and 1 sector project

** Average success rating in % of maximum score

Source: All 51 urban sector project completion reports issued between 1998 and mid-2005.

AN ASSESSMENT OF URBAN SECTOR STRATEGIES

Table SAG.1: Rating of Urban Sector Strategy Studies

Criteria	Country and Year of Publication				
	Bangladesh 1995	Lao PDR 1998	India 1998	Cambodia 1999	India 2003
Baseline described and quantified?	Yes	Yes	Yes	Yes	Yes
Strategic gap identified?	No	Yes	No	No	Yes
Progress indicators specified?	No	No	No	No	No
ADB's broader strategic agenda sets parameters?	No	Yes	Yes	No	No
Evidence of sound analytical base?	No	Yes	No	No	Yes
Evidence of stakeholder influence?	No	No	No	No	No
Explicit consideration of options and justification for strategic selection?	No	No	No	No	No
Evidence of focus?	Yes	No	No	No	No
Internal consistency and coherence evident?	Yes	Yes	Yes	Yes	Yes
External consistency evident?	Yes	Yes	Yes	Yes	Yes
ADB's comparative advantages identified and justified?	No	No	No	No	Yes
Performance monitoring and evaluation provided for?	No	No	No	No	No
Partnerships clearly developed?	No	No	No	No	No
Ongoing ADB program outlined and discussed?	Yes	Yes	Yes	Yes	Yes
Other externally funded urban sector programs discussed?	Yes	Yes	Yes	Yes	Yes
Government's ongoing (nationally funded) urban sector program discussed?	Yes	Yes	No	No	Yes
Demand analysis of cities or local utilities performed?	No	Yes	Yes	No	Yes
Demand analysis based on a (recent) survey?	No	No	No	No	No
Local capacity problems discussed?	Yes	Yes	Yes	Yes	Yes
ADB staff resources needed for implementation discussed and identified?	No	No	No	No	No
Assumptions, constraints to implementation and risks identified and discussed?	No	No	No	No	No
Constraint or risk mitigation strategy worked out?	No	No	No	No	No
Quantifiable financial targets set?	No	No	No	No	No
Quantifiable physical targets set?	No	No	No	No	No
Institutional and capacity development targets set?	No	No	No	No	No
Thematic priorities set?	Yes	No	No	No	Yes
Clear prioritization for ADB deployment of resources and staff among urban sub-sectors?	No	No	No	No	No
Sub-sectors directly or indirectly prioritized or de-prioritized?	Yes	No	No	No	Yes
Timetable for implementation of the strategy set?	No	No	No	No	No
Owner/custodian of the strategy identified?	No	No	No	No	No
Monitoring timetable set for strategy implementation?	No	No	No	No	No
Date set for updating or new strategy?	No	No	No	No	No
Proposals for further sector work specified?	Yes	No	No	No	No

Table SAG.2: Rating of Urban Sector and Related Subsector Profiles

Criteria	Country, Sector and Year of Publication										
	PHI	PRC	SRI	NEP	KYG	INO	INO	PHI	PHI	KAZ	UZB
	Urban Sector Profile 1999	Urban Sector Review 1999	Urban Sector Study 2000	Urban Dev. Sector Study 2001	WS and Sanitation Profile 2001	Shelter Sector Profile 2001	Urban Sector Profile 2001	Housing Sector Profile 2001	WS and Sanitation Profile 2001	WS and Sanitation Profile 2003	Urban Sector Profile 2003
Baseline described and quantified?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Strategic gap identified?	Yes	No	Yes	Yes	Yes	Yes	No	Yes	Yes	No	No
Progress indicators specified?	No	No	No	No	No	No	No	No	No	No	No
ADB's broader strategic agenda sets parameters?	No	No	No	No	No	Yes	Yes	Yes	Yes	No	No
Evidence of sound analytical base?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Evidence of stakeholder influence?	No	No	No	No	No	No	No	No	No	No	No
Evidence of focus?	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Internal consistency and coherence evident?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
External consistency evident?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
ADB's comparative advantages identified and justified?	No	No	No	No	No	No	Yes	No	No	No	No
Performance monitoring and evaluation provided for?	No	No	No	No	No	No	No	No	No	No	No
Ongoing ADB program discussed?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Other externally funded urban (other) sector programs discussed?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Government's (nationally funded) urban sector program discussed?	Yes	No	No	No	No	Yes	Yes	Yes	Yes	Yes	No
Demand analysis of cities or local utilities performed?	No	No	No	No	No	Yes	No	Yes	No	No	No
Demand analysis based on recent survey?	No	No	No	No	No	No	No	No	No	No	No
Local capacity problems discussed?	Yes	No	No	Yes	Yes	NA	Yes	NA	No	Yes	No
Thematic priorities identified?	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
National Urban (Sector) Policy/Strategy discussed and analyzed?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Recommendations made for Government Urban (Sector) Policy/Strategy?	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Recommendations made for ADB Urban Sector Strategy?	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	No	No

Criteria	Country, Sector and Year of Publication										
	PHI	PRC	SRI	NEP	KGZ	INO	INO	PHI	PHI	KAZ	UZB
	Urban Sector Profile 1999	Urban Sector Review 1999	Urban Sector Study 1999	Urban Dev. Sector Study 2001	WS and Sanitation Profile 2001	Shelter Sector Profile 2001	Urban Sector Profile 2001	Housing Sector Profile 2001	WS and Sanitation Profile 2001	WS and Sanitation Profile 2003	Urban Sector Profile 2003
Sub-sectors directly or indirectly prioritized or de-prioritized?	Yes	No	No	No	Yes	Yes	Yes	Yes	No	No	Yes
Timetable for implementation of the strategy set?	No	No	No	No	No	No	No	No	No	No	No
Monitoring timetable set for strategy implementation?	No	No	No	No	No	No	No	No	No	No	No
Date set for preparation, updating or new strategy?	No	No	No	No	No	No	No	No	No	No	No
Proposals for further sector work spec.?	No	Yes	No	No	No	No	No	No	No	No	No

Dev. = development, INO = Indonesia, KAZ = Kazakhstan, KGZ = Kyrgyz Republic, NEP = Nepal, PRC = People's Republic of China, PHI = Philippines, SRI = Sri Lanka, UZB = Uzbekistan.

Table SAG.3: Key Factors

Factors contributing to success	Factors limiting success
<p>Flexible arrangements are required to maximize opportunity for establishment of good relations with EA – contributing to ownership.</p> <p>Useful for informing the CSP and can lead to spillover benefits in focusing ADB sector strategy, and informing sector TA and project design.</p> <p>After strategy issuance, it is important to maintain policy dialogue and to informally update the strategy.</p>	<p>Need for the right institutions and adequate staff to be involved – sector studies cover wide range of institutions. This poses coordination problems.</p> <p>Highly constrained if the intention is to get a full range of stakeholder views – but is this appropriate for a directional document?</p> <p>The duration of strategy studies should consider the Government's response time and allow sufficient time for the Government to absorb and react to the study outputs.</p> <p>ADB or the Government changing its priorities can compromise the value of the strategy.</p>

ADB = Asian Development Bank, CSP = country strategy and program, EA = executing agency, TA = technical assistance.

	By sectors:				By case study countries:			
	Multisector	WSSSWM	Other Urban	Total	IND	PHI	PRC	Others
	N=38	N=48	N=7	N=88	N=10	N=13	N=12	N=53
13b. Do non-government PO staff get higher salary than staff of agency?								
No	71	58	50	62	75	89	70	53
Yes, not funded by ADB loan	10	25	0	18	0	0	20	24
Yes, funded by ADB loan	19	17	50	20	25	11	10	24
Total valid responses								
14. Statements true for the project								
Regular agency staff outside PO will do more project work if with incentives	52	56	17	51	56	25	33	61
Agency has a performance incentive system, to stimulate and reward productive staff	21	41	17	32	11	25	44	35
Government officers resigned or went on leave of absence, and joined PO as consultants	28	37	0	30	22	0	33	39
Project consultants in the PO have done more operational than as per TOR	19	20	17	19	33	0	33	20
15. Kinds of consultants in the project								
Foreign design and supervision consultants	31	57	83	50	0	31	10	67
Local design and supervision consultants	50	68	50	61	75	38	50	67
Design and supervision contractuales	12	18	17	16	0	23	20	14
Foreign project management consultants	65	36	33	46	50	46	80	39
Local project management consultants	65	57	33	58	50	69	80	51
Project management contractuales	8	11	17	11	0	15	30	6
Other foreign consultants	12	20	33	18	0	23	30	16
Other local consultants	31	27	33	29	75	23	30	27
Other contractuales	15	18	17	17	25	15	20	16
16. Main role of consultants in the project								
Foreign consultants supplementing agency staff for operational tasks	37	30	33	33	22	15	20	43
Local consultants supplementing agency staff for operational tasks	47	50	33	47	67	38	20	52
Contractuales supplementing agency staff for operational tasks	23	20	50	24	11	31	40	20
Foreign consultants substituting for available operational staff	7	5	17	7	11	8	0	7
Local consultants substituting for available operational staff	23	30	17	26	33	23	20	27
Contractuales substituting for available operational staff	3	15	17	11	22	8	10	9
Foreign consultants providing on-the-job training or advice or doing studies	50	38	100	47	44	62	90	34
Local consultants providing on-the-job training or advice or doing studies	63	55	67	59	56	92	80	45
Contractuales providing on-the-job training or advice or doing studies	17	18	17	17	33	15	30	11
17. Rating^a of importance of capacity development in the project	Ave.	Ave.	Ave.	Ave.	Ave.	Ave.	Ave.	Ave.
Construction of office/training centers or other facilities	15	40	33	31	17	23	45	32
Individual skills development	56	54	75	56	50	77	45	54
Organizational development	54	53	58	54	50	46	59	55
Project management capacity development	78	74	75	76	83	77	100	69
Project implementation capacity development	95	74	58	81	94	92	77	76
Operation and maintenance of infrastructure capacity development	57	67	33	61	50	58	68	62
Strategy/policy/ legal development	35	52	42	45	44	42	50	45
Service delivery capacity development	57	55	33	54	50	54	45	57
18. Main staff capacity problems in the agency	%	%	%	%	%	%	%	%
Lack of staff in agency (lack of positions or filled positions)	19	36	50	31	25	46	18	30
Staff turnover is high due to promotions, competition from other agencies/private sector	15	8	0	10	25	8	0	13
Available staff is underpaid and does not perform well for this reason	31	19	33	25	0	23	9	33
Available staff is demoralized due to political decision-making, corruption, etc	8	17	17	13	0	23	0	15
Available staff have insufficient capacity, qualifications or experience	31	36	33	34	0	15	36	43
Tenure of senior staff in project is too short	12	25	0	18	25	8	18	20
Tenure of senior staff in agency is too short	4	8	0	6	0	0	27	3
Lack of interest/ incentive to move to project area or field in general	19	28	0	22	0	23	36	20
19. Experiences with irregularities or corruption in the project								
No experience with irregularities or corruption	80	95	100	90	78	85	100	91
Project staff have suspected irregularities	3	2	17	4	0	15	0	2
Project staff have witnessed attempts at corrupt practices	7	2	0	4	0	0	0	7
Written allegations of irregularities have been made	10	5	0	6	11	8	0	7
Written allegations of corruption have been made	0	5	0	3	0	0	0	4
Irregularities have been dealt with	10	2	0	5	22	8	0	2
Written allegations of corruption have been dealt with	7	2	0	4	11	0	0	4

ADB = Asian Development Bank, ave. = average, HQ = headquarters, EA = executing agency, IND = India, PO = project office, PHI = Philippines, PRC = People's Republic of China, RM = resident mission, TOR = terms of reference, WSSSWM = water supply, sanitation and solid waste management.

^a Major = 100; minor = 50; none = 0.

Source: This study.

Table SAH.2: Survey Results by Subsector by Project (% of all projects, N=44)

	By sectors:				By case study countries:					Total	N
	Multisector	WSSSWM	Other	Total	IND	PHI	PRC	Others			
	N=19	N=20	N=5	N=44	N=6	N=6	N=5	N=27			
1. Main purpose(s) of the ADB loan	%	%	%	%	%	%	%	%	%	%	N
Response to an emergency	5	11	0	7	17	0	0	8	7	43	
Infrastructure creation, expansion, rehabilitation	89	85	40	82	71	67	100	85	82	44	
Housing finance or other finance	26	5	60	20	43	33	0	15	20	44	
Operation and maintenance of infrastructure	21	45	40	34	14	17	20	46	34	44	
Land management or policy/institutional/capacity development	37	35	60	39	29	50	20	42	39	44	
Service delivery oriented activities	47	30	20	36	29	50	0	42	36	44	
2. Major benefits of the project											N
Improved water supply and related public health	53	80	40	64	43	67	60	69	64	44	
Improved brown environment and public health	89	65	60	75	86	67	80	73	75	44	
Improved green environment or other city environment	42	30	40	36	57	17	40	35	36	44	
Improved roads/ drainage/ transport/ communications/ etc.	74	35	60	55	43	67	40	58	55	44	
Improved availability of housing (finance)	16	5	60	16	29	33	0	12	16	44	
Improved status of squatter areas/ makeshift housing	16	10	20	14	14	33	0	12	14	44	
Improved public safety/ peace and order	5	5	20	7	0	0	0	12	7	43	
Reduced vulnerability to disasters	37	32	0	30	33	17	60	27	30	43	
Improved local economy/ business due to regulatory/ institutional changes	16	26	20	21	0	33	40	19	21	43	
Improved local economy/ bus due to markets and other special infrastructure	21	30	0	23	0	0	40	31	23	44	
Improved resource generation/ pricing/ cost recovery/ municipal taxes	42	10	20	25	29	17	0	31	25	44	
Improved private sector involvement in public sector tasks	37	35	20	34	29	33	20	38	34	44	
Improved civil society or grassroots organizations	32	15	0	20	29	0	0	27	20	44	
Improved capacity of agency/ies including soft (knowledge) and hard (equipment)	53	50	60	52	29	67	40	58	52	44	
Other benefit	11	0	40	9	14	17	0	8	9	44	
3. Rating^a of main advantages of ADB involvement	Ave.	Ave.	Ave.	Ave.	Ave.	Ave.	Ave.	Ave.	Ave.	N	
Better design of the project	68	68	50	66	71	58	60	67	66	44	
Intellectual or technical leadership/ good practices/ policy dialogue	53	63	60	58	64	33	30	67	58	44	
Large investment project has catalytic effect	61	53	50	56	64	33	20	67	56	41	
More certain/ steady supply of funds	84	87	80	85	83	100	80	83	85	43	
ADB can leverage additional financial resources (access to co-financing)	42	58	50	50	50	67	30	50	50	44	
ADB can persuade government decision makers	58	50	30	51	57	42	30	56	51	44	
Good and transparent procurement processes	79	78	50	75	57	83	100	73	75	44	
Project administration/ salaries funded through loan	18	39	50	31	33	17	20	37	31	43	
Access to technical advice or operational support by loan-funded consultants	76	60	50	66	64	83	50	65	66	44	
External quality control/ monitoring by ADB project officers	61	65	60	63	64	67	50	63	63	44	
Other advantage	5	5	20	7	14	17	0	4	7	44	
4. Rating^a of problems encountered by the project											
Delays in ADB responses/ decisions/ approvals	34	40	20	35	29	33	30	38	35	44	
Delays in ADB disbursements	13	13	20	14	14	25	10	12	14	44	
Difficult ADB forms and procedures and excessive paper work	50	35	40	42	57	33	30	42	42	44	
Enforcement of ADB agenda (e.g., resettlement, environment, participation, etc.)	47	35	20	39	43	58	20	37	39	44	
Lack of staff continuity in ADB	17	5	20	12	10	17	0	13	12	42	
Lack of suitability of ADB project officers for task at hand	13	10	10	11	7	8	10	13	11	44	
Improper staffing by consultants recruited for the project	47	38	40	42	57	17	20	48	42	44	
Delays in government responses/ decisions/ approvals	58	58	70	60	40	83	30	63	60	42	
Insufficient government budget made available to project (or late release)	26	38	20	31	0	42	30	37	31	44	
Govt policies or decisions obstruct/ delay project activities	50	38	70	47	29	67	20	52	47	44	
Lack of effective coordination, or opposition from other agencies	47	43	40	44	29	42	20	54	44	44	
Lack of effective zoning/ building regulations	19	24	20	21	10	8	20	27	21	42	
Lack of (qualified and capable) staff to implement the project	47	30	30	38	21	42	10	46	38	44	
Difficult/ unwieldy government systems and procedures	47	34	40	40	40	42	10	46	40	42	
Involvement of politicians in the administrative domain	42	16	40	30	20	67	30	23	30	42	
Problematic division of responsibilities between project office and other agencies	36	30	20	31	42	25	20	33	31	43	
High and rising cost of land or other issues with land acquisition/ right-of-way	39	38	10	35	29	50	30	35	35	44	
Opposition to project activities from civil society or private sector parties	14	13	30	15	10	33	0	15	15	42	
Lack of demand for project (components) from intended beneficiaries	11	13	10	12	20	17	10	10	12	42	
Project has too many components and implementing agencies	33	20	40	28	0	58	10	31	28	43	
Project has more donors than ADB and this demands time	6	20	0	12	8	8	10	13	12	43	
Project lacks an effective monitoring system/ data	24	13	20	18	7	33	10	19	18	44	
5a. Is there sufficient involvement of Resident Mission staff?	%	%	%	%	%	%	%	%	%	N	
Less will do	11	5	25	10	14	20	0	8	10	4	
Sufficient	79	74	50	74	86	80	100	65	74	31	
More is useful	11	21	25	17	0	0	0	27	17	7	
Total										42	
5b. Is there sufficient involvement of Headquarters staff?											
Less will do	24	0	0	10	33	17	0	4	10	4	
Sufficient	76	80	80	79	50	83	80	84	79	33	
More is useful	0	20	20	12	17	0	20	12	12	5	
Total										42	
6. Expectations regarding the project											
Project will achieve outputs in time or before time	32	17	20	24	0	33	75	20	24	42	
Project will achieve some outputs in time (some may be delayed)	74	67	40	67	71	83	0	72	67	42	
Project will achieve the outputs against the allocated budget	37	39	20	36	43	50	25	32	36	42	
Project will achieve the intended outputs much below the original budget	6	6	0	5	0	17	25	0	5	41	
Project will reduce the proportion of low income households in the city/ town	17	12	20	15	0	33	0	16	15	40	
Project will directly benefit (some) households/ businesses outside urban areas	37	33	40	36	43	50	25	32	36	42	
Project will improve services for, or lives of, the poorest people more than others	44	61	20	49	17	83	50	48	49	41	
Project will benefit from a follow-on ADB-supported project	44	17	40	32	33	50	25	28	32	41	

	By sectors:				By case study countries:					N
	Multisector	WSSSWM	Other	Total	IND	PHI	PRC	Others	Total	
	N=19	N=20	N=5	N=44	N=6	N=6	N=5	N=27		
7. Statements true for the project	%	%	%	%	%	%	%	%	%	
Project beneficiaries are all inhabitants of city	74	90	60	80	71	67	100	81	80	44
Project beneficiaries are confined to certain groups within the city	32	10	40	23	43	17	0	23	23	44
There is no resistance from intended beneficiaries	79	55	20	61	57	50	20	73	61	44
There is no resistance from non-beneficiaries	63	42	40	51	67	67	20	50	51	43
There was enough input from our agency into project design	58	68	0	56	50	33	60	62	56	43
There were no complaints from other stakeholders about project set-up	58	55	20	52	29	33	40	65	52	44
Loan covenants are helping/ have helped significantly to achieve reforms	68	45	40	55	43	83	40	54	55	44
Project is confronted with more attempts at corruption than nationally funded projects	0	11	0	5	0	0	20	4	5	43
Project is better able to guard against corruption than nationally funded projects	47	40	0	39	29	50	60	35	39	44
All stakeholders perceive this project as driven by EA agenda, not by ADB agenda	32	25	0	26	17	17	20	31	26	43
Project is completely non-controversial in city and is universally seen as beneficial	68	60	0	58	67	50	80	54	58	43
8. Nature of Project Office										
Only PO implementing project	11	15	20	14	14	0	40	12	14	6
Central coordinating office of the project	79	65	60	70	57	83	40	77	70	31
Another type of temporary PO	0	5	0	2	0	0	0	4	2	1
Project is managed by one or more regular divisions of agency	11	15	20	14	29	17	20	8	14	6
Total										44
9. For Project Coordination Offices/ Units:	Ave.	Ave.	Ave.	Ave.	Ave.	Ave.	Ave.	Ave.	Ave.	N
Project is a sector project (total number of POs)	21	11	0	17	0	0	0	17	17	6
Project is not a sector project - it has the following number of components:	9	5	2	7	8	15	4	4	7	11
Total no. of specially dedicated POs	5	5	2	4	9	2	4	5	4	14
10. Status of the project office (PO)	%	%	%	%	%	%	%	%	%	N
PO already existed before the project	26	47	0	33	50	33	50	27	33	42
PO has plans to continue after the project as a PO for other projects	21	37	0	26	33	17	75	19	26	42
PO has plans to merge with the agency after the project	16	21	0	17	0	17	25	19	17	42
PO has plans to close after project completion: all staff will be dismissed	0	5	50	7	0	17	0	8	7	42
PO has plans to close after project completion: some to be dismissed, others move	47	21	25	33	33	17	0	42	33	42
PO has no clear plans for continuation or dissolution after the project	5	0	25	5	0	17	0	4	5	42
PO handles more than one project	11	37	50	26	17	50	50	19	26	42
PO only handles ADB loan, not the entire project or all donor funds for the project	26	5	0	14	17	0	0	19	14	42
PO handles more than only ADB funds but also funds of other donors for the project	11	32	25	21	17	50	25	15	21	42
11. Number of project staff	Ave.	Ave.	Ave.	Ave.	Ave.	Ave.	Ave.	Ave.	Ave.	N
Professional agency staff on regular payroll	347	34	9	168	0	610	10	90	168	30
Support staff of agency on regular payroll	812	447	8	568	0	25	2	734	568	26
Professional agency staff assigned to PO	17	5	9	11	65	7	6	5	11	31
Support staff of agency assigned to PO	14	5	8	10	74	6	2	5	10	30
Professional staff contracted by agency in PO	9	1	11	6	12	12	1	4	6	34
Support staff contracted by agency in PO	7	4	7	5	8	9	2	5	5	33
Long Term foreign consultants in PO	1	1	1	1	1	0	1	1	1	33
Short Term foreign consultants in PO	3	3	1	3	0	5	1	3	3	34
Long term local consultants in PO	15	8	0	11	47	6	2	8	11	33
Short Term local consultants in PO	6	9	1	7	3	18	3	5	7	34
Other long term foreign consultants in project	0	1	0	0	0	0	0	0	0	34
Other short term foreign consultants in project	1	4	0	2	0	0	0	3	2	34
Other long term local consultants in project	0	0	2	0	1	1	0	0	0	34
Other short term local consultants in project	1	0	0	0	0	0	0	0	0	34
12. Funding of government officers in the project	%	%	%	%	%	%	%	%	%	N
All are funded by a component of the ADB loan	11	26	25	20	20	0	0	27	20	41
Some are funded by a component of the ADB loan	11	16	0	12	20	0	25	12	12	41
All or some are funded by regular budget of the agency's or government	67	47	25	54	60	83	25	50	54	41
All or some are funded by the government's public investment budget	17	11	25	15	0	33	0	15	15	40
Combinations of loan funds and other sources than government or agency	17	6	25	13	25	0	50	8	13	40
Other sources	0	11	20	7	17	0	25	4	7	42
13a. Do government PO staff get higher pay/allowances than others in agency?										
No	88	81	100	85	100	100	75	82	85	29
Yes, not funded by ADB loan	6	13	0	9	0	0	25	9	9	3
Yes, funded by ADB loan	6	6	0	6	0	0	0	9	6	2
Total valid responses										34
13b. Do non-government PO staff get higher salary than staff of agency?										
No	67	53	50	58	75	80	50	52	58	21
Yes, not funded by ADB loan	7	29	0	17	0	0	25	22	17	6
Yes, funded by ADB loan	27	18	50	25	25	20	25	26	25	9
Total valid responses										36
14. Statements true for the project										
Regular agency staff outside PO will do more project work if with incentives	56	47	25	49	33	40	67	52	49	37
Agency has a performance incentive system, to stimulate and reward productive staff	17	27	25	22	17	40	33	17	22	37
Government officers resigned or went on leave of absence, and joined PO as consultants	33	27	0	27	17	0	67	30	27	37
Project consultants in the PO have done more operational than as per TOR	22	21	25	22	40	0	67	17	22	36
15. Kinds of consultants in the project										
Foreign design and supervision consultants	39	72	100	60	0	50	20	80	60	40
Local design and supervision consultants	56	83	50	68	75	50	60	72	68	40
Design and supervision contractuels	6	33	25	20	0	33	20	20	20	40
Foreign project management consultants	72	33	50	53	50	67	80	44	53	40
Local project management consultants	61	61	50	60	50	100	100	44	60	40
Project management contractuels	6	11	0	8	0	17	20	4	8	40
Other foreign consultants	6	39	25	23	0	17	40	24	23	40
Other local consultants	39	50	25	43	75	33	40	40	43	40
Other contractuels	22	17	25	20	25	33	20	16	20	40

	By sectors:				By case study countries:					N
	Multisector	WSSSWM	Other	Total	IND	PHI	PRC	Others	Total	
	N=19	N=20	N=5	N=44	N=6	N=6	N=5	N=27		
16. Main role of consultants in the project	%	%	%	%	%	%	%	%	%	
Foreign consultants supplementing agency staff for operational tasks	42	38	25	38	17	17	20	55	38	39
Local consultants supplementing agency staff for operational tasks	53	75	25	59	83	33	40	64	59	39
Contractuals supplementing agency staff for operational tasks	26	38	50	33	17	50	60	27	33	39
Foreign consultants substituting for available operational staff	5	6	25	8	0	17	0	9	8	39
Local consultants substituting for available operational staff	11	31	25	21	0	17	40	23	21	39
Contractuals substituting for available operational staff	5	13	25	10	33	17	20	0	10	39
Foreign consultants providing on-the-job training or advice or doing studies	53	50	100	56	50	83	100	41	56	39
Local consultants providing on-the-job training or advice or doing studies	58	56	50	56	67	100	100	32	56	39
Contractuals providing on-the-job training or advice or doing studies	11	19	25	15	17	33	20	9	15	39
17. Rating^a of importance of capacity development in the project	Ave.	Ave.	Ave.	Ave.	Ave.	Ave.	Ave.	Ave.	Ave.	N
Construction of office/training centers or other facilities	8	25	50	20	17	33	20	17	20	41
Individual skills development	56	68	75	63	50	83	50	63	63	39
Organizational development	56	50	63	54	50	42	60	56	54	38
Project management capacity development	84	72	75	78	92	92	100	67	78	41
Project implementation capacity development	92	81	50	83	92	92	100	75	83	41
Operation and maintenance of infrastructure capacity development	53	69	25	57	50	58	70	56	57	41
Strategy/policy/ legal development	29	56	63	44	42	50	50	42	44	41
Service delivery capacity development	53	64	25	55	50	33	50	63	55	41
18. Main staff capacity problems in the agency	%	%	%	%	%	%	%	%	%	N
Lack of staff in agency (lack of positions or filled positions)	17	29	50	25	25	50	20	19	25	36
Staff turnover is high due to promotions, competition from other agencies/ private sector					25	17	0	5	8	36
Available staff is underpaid and does not perform well for this reason	17	0	0	8						
Available staff is demoralized due to political decision-making, corruption, etc	39	29	50	36	0	33	0	52	36	36
Available staff have insufficient capacity, qualifications or experience	11	21	0	14	0	33	0	14	14	36
Tenure of senior staff in project is too short	44	36	50	42	0	33	40	52	42	36
Tenure of senior staff in agency is too short	17	14	0	14	25	17	0	14	14	36
Lack of interest/ incentive to move to project area or field in general	0	7	0	3	0	0	20	0	3	36
	17	29	0	19	0	17	40	19	19	36
19. Experiences with irregularities or corruption in the project										
No experience with irregularities or corruption	79	94	100	88	83	83	100	88	88	41
Project staff have suspected irregularities	5	0	25	5	0	33	0	0	5	41
Project staff have witnessed attempts at corrupt practices	11	0	0	5	0	0	0	8	5	41
Written allegations of irregularities have been made	11	6	0	7	17	0	0	8	7	41
Written allegations of corruption have been made	0	6	0	2	0	0	0	4	2	41
Irregularities have been dealt with	5	0	0	2	17	0	0	0	2	41
Written allegations of corruption have been dealt with	11	0	0	5	17	0	0	4	5	41

ADB = Asian Development Bank, ave. = average, PO = project office, EA = executing agency, IND = India, PHI = Philippines, PRC = People's Republic of China, TOR = terms of reference, WSSSWM = water supply, sanitation and solid waste management. .

^a Major = 100; minor = 50; none = 0

Source: This study.

Table SAH.3: Percentage of Positive Responses for Question Nos. 3, 4 and 17 (N=88)
(By Country and Subsector)

Questionnaire item	By countries:				By main subsectors:			Total
	India	PHI	PRC	Others	Multisector	WSSSWM	Other	
3. Percentage of respondents that saw an advantage of ADB involvement in the project								
Better design of the project	90	69	75	89	77	90	71	84
Intellectual or technical leadership/ good practices/ policy dialogue	90	62	67	89	77	86	71	82
Large investment project has catalytic effect	80	62	67	80	79	73	71	75
More certain/ steady supply of funds	83	92	92	85	85	88	86	87
ADB can leverage additional financial resources (access to co-financing)	70	77	58	66	60	73	57	67
ADB can persuade government decision-makers	70	54	67	83	73	80	43	75
Good and transparent procurement processes	80	92	92	87	90	88	71	88
Project administration/ salaries funded through loan	50	23	58	55	33	58	57	50
Access to technical advice or operational support by loan-funded consultants	90	85	83	85	93	82	71	85
External quality control/ monitoring by ADB project officers	90	85	83	89	83	90	86	88
Other advantage	10	8	0	6	3	6	14	6
4. Percentage of respondents that identified problems encountered by the project								
Delays in ADB responses/ decisions/ approvals	50	77	42	57	57	57	57	57
Delays in ADB disbursements	20	38	25	24	23	27	29	26
Difficult ADB forms and procedures and excessive paper work	80	69	42	63	73	55	56	63
Enforcement of ADB agenda (e.g. resettlement, environment, participation, etc)	70	77	42	45	67	47	29	52
Lack of staff continuity in ADB	20	31	17	24	42	15	14	23
Lack of suitability of ADB project officers for task at hand	10	23	17	27	23	24	14	23
Improper staffing by consultants recruited for the project	80	38	25	55	67	45	29	51
Delays in government responses/decisions/approvals	60	85	42	76	73	69	86	72
Insufficient government budget made available to project (or late release)	0	69	33	57	40	53	57	49
Government policies or decisions obstruct/ delay project activities	50	62	42	51	63	39	86	51
Lack of effective coordination, or opposition from other agencies	70	62	25	59	46	46	8	56
Lack of effective zoning/ building regulations	20	15	25	33	27	29	29	28
Lack of (qualified and capable) staff to implement the project	40	54	17	55	60	41	43	48
Difficult/ unwieldy government systems and procedures	80	69	33	47	62	40	86	51
Involvement of politicians in the administrative domain	40	69	33	31	62	23	57	38
Problematic division of responsibilities between project office and other agencies	56	46	25	29	45	27	43	34
High and rising cost of land or other issues with land acquisition/ right-of-way	60	62	50	39	60	43	14	47
Opposition to project activities from civil society or private sector parties	33	54	8	14	33	13	29	21
Lack of demand for project (components) from intended beneficiaries	33	23	25	20	19	25	14	22
Project has too many components and implementing agencies	33	62	17	35	55	27	29	36
Project has more donors than ADB and this demands time	22	23	17	20	21	22	0	20
Project lacks an effective monitoring system/ data	20	62	17	35	43	29	43	35
17. Percentage of respondents that identified capacity development important to the project								
Construction of office/training centers or other facilities	22	23	55	48	20	57	33	42
Individual skills development	50	92	64	70	69	70	100	72
Organizational development	67	77	64	70	72	67	83	70
Project management capacity development	89	92	100	88	90	91	83	90
Project implementation capacity development	100	100	82	88	100	87	67	90
Operation and maintenance of infrastructure capacity development	78	69	82	84	80	87	33	81
Strategy/policy/legal development	67	62	64	64	53	72	50	64
Service delivery capacity development	67	77	55	70	73	68	50	69

ADB = Asian Development Bank, PHI = Philippines, PRC = People's Republic of China, MS = multisector, WSSSWM = water supply, sanitation and solid waste management.

Source: This study.

Table SAH.4: Urban/Municipal Project Questionnaire Used by the Study

**OPERATIONS EVALUATION DEPARTMENT
URBAN/MUNICIPAL PROJECT QUESTIONNAIRE**

ADB Loan Number and Project Title:		
Name of Agency:		
Name of Project Office (if applic.):		
Name of Respondent and Position:		
City/Town		
Tel.:	Fax:	Email:

ABOUT YOUR PROJECT:

1. What do you see as the main purpose(s) of the ADB loan? (pls. tick the answer categories)

- Response to an emergency (flooding, earthquake, war, etc.)
- Infrastructure creation, expansion or rehabilitation (or urban renewal)
- Housing finance or other finance
- Operation and maintenance of infrastructure
- Land management or policy/institutional/capacity development
- Service delivery oriented activities.

2. What do you see as the major benefits of the Project?

- Improved water supply and related public health
- Improved brown environment (sanitation / solid waste/ waste water / air quality) and related public health
- Improved green environment or other city environment
- Improved roads / drainage / transport /communications / parking / traffic
- Improved availability of housing (finance)
- Improved status of squatter areas / makeshift housing areas
- Improved public safety / peace and order
- Reduced vulnerability to disasters (flooding, water logging, etc.)
- Improved local economy / business due to regulatory/institutional changes
- Improved local economy / business due to market development and other special infrastructure
- Improved resource generation / pricing / cost recovery / municipal taxes
- Improved private sector involvement in public sector tasks or service delivery
- Improved civil society or grassroots organizations
- Improved capacity of agency/ies incl. soft (knowledge) and hard (equipment, staff, office buildings)
- Other (please specify):.....

3. What do you see as the main advantages of involvement of ADB in the Project?

Major	Minor	None	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Better design of the project
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Intellectual or technical leadership/good practices/policy dialogue
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Large investment project has catalytic effect
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	More certain/steady supply of funds
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	ADB can leverage additional financial resources (access to co-financing)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	ADB can persuade government decision makers
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Good and transparent procurement processes
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Project administration / salaries funded through loan
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Access to technical advice or operational support by loan-funded consultants

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	External quality control / monitoring by ADB project officers
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Other advantage (<i>please specify</i>):

4. What are some of the problems of the Project at this stage?

Major	Minor	None	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Delays in ADB responses/decisions/approvals
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Delays in ADB disbursements
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Difficult ADB forms and procedures and excessive paper work
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Enforcement of ADB agenda (such as resettlement, env., participation, gender, BME)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Lack of staff continuity in ADB
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Lack of suitability of ADB project officers (present or previous) for task at hand
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Improper staffing by consultants recruited for the Project
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Delays in Government responses/decisions/approvals
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Insufficient Government budget made available to Project (or late release)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Government policies or decisions obstruct / delay Project activities
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Lack of effective coordination, or opposition from other agencies
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Lack of effective(ly enforced) zoning/building regulations
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Lack of (qualified and capable) staff to implement the project
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Difficult/unwieldy Government systems and procedures
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Involvement of politicians in the administrative domain
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Problematic division of responsibilities between project office and other agencies
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	High and rising cost of land or other issues with land acquisition/right of way
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Opposition to project activities from civil society or private sector parties
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Lack of demand for project (components) from intended beneficiaries
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Project has too many components and implementing agencies
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Project has more donors than ADB and this demands time
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Project has lack of effective monitoring system/lack of data

5. Is there sufficient involvement of ADB in Project implementation? (*tick*)

More is useful	Sufficient	Less will do	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Resident Mission staff
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	ADB headquarter staff

6. Will your Project:

<input type="checkbox"/>	Achieve all outputs in time or before time (counting from loan effectivity)
<input type="checkbox"/>	Achieve some outputs in time (some outputs may be delayed)
<input type="checkbox"/>	Achieve the outputs against the allocated budget (as estimated in project document)
<input type="checkbox"/>	Achieve the intended outputs much below the originally envisaged budget
<input type="checkbox"/>	Reduce the proportion of low income households in the city/municipality significantly
<input type="checkbox"/>	Directly benefit (some) households / businesses outside the urban areas
<input type="checkbox"/>	Improve services for, or lives of, the poorest people more than other people
<input type="checkbox"/>	Benefit from a follow-on ADB-supported project.

7. Which of the following statements about your Project hold true:

<input type="checkbox"/>	Project beneficiaries are (or can be) all inhabitants of city; are not confined to a special group or area
<input type="checkbox"/>	Project beneficiaries are confined to certain groups (or areas) within the city/municipality
<input type="checkbox"/>	There is no resistance whatsoever from intended beneficiaries (or areas) to the Project
<input type="checkbox"/>	There is no resistance whatsoever from <i>non</i> -beneficiaries (or <i>non</i> -project areas) to the Project
<input type="checkbox"/>	There was enough input from our agency into Project design
<input type="checkbox"/>	There were no complaints whatsoever from other stakeholders about the Project set up
<input type="checkbox"/>	Loan covenants are helping / have helped significantly to achieve reforms
<input type="checkbox"/>	This Project is confronted with more attempts at corruption than nationally funded Projects are
<input type="checkbox"/>	This Project is better able to guard against corruption than nationally funded Projects are

All stakeholders perceive this Project as driven by executing agency agenda, not by ADB agenda
 Project is completely non-controversial in city and is universally seen as beneficial.

Explain if necessary:

ABOUT YOUR PROJECT OFFICE:

8. What is the nature of your Project Office?

- The only project office (created for the project) that is implementing the project
- The central coordinating office of the project (but there are more special offices implementing the Project)
- Another type of temporary project office (this is not the central project office)
- The project is managed by one or more regular divisions of the agency, or by a ‘permanent’ project office

9. If your office coordinates the Project, tick one of the following categories and write down a number:

- The Project is a sector project - the total number of Project Offices is: (give number)
- The project is not a sector project; it has the following number of components: (give number)
- And the total number of specially dedicated project offices is: (give number)

10. Your Project Office:

- Already existed before the project (managing another or previous phase project)
- Has plans to continue after the project as a project office for other projects
- Has plans to merge with the agency after the project (for service delivery/operation & maintenance)
- Has plans to close after project completion: all staff will be dismissed
- Has plans to close after project completion: some staff will be dismissed, others move to parent agency
- Has no clear plans for continuation or dissolution after the project (fate of some project staff is unclear)
- Handles more than one project
- Only handles ADB loan, not the entire project or all donor funds for the Project
- Handles more than only ADB funds but also funds of other donors for the same Project.

11. Please give the numbers of staff employed in the agency and in the Project Office at the present time:

i) All agency staff on regular payroll:	Professional staff:	<input type="text"/>	Support / field staff:	<input type="text"/>
ii) Agency staff assigned to Project Office:	Professional staff:	<input type="text"/>	Support / field staff :	<input type="text"/>
iii) Staff contracted by agency in Project Office*:	Professional staff :	<input type="text"/>	Support staff :	<input type="text"/>
iv) Foreign consultants in Project Office:	Long term** :	<input type="text"/>	Short term***:	<input type="text"/>
v) Local consultants in Project Office:	Long term** :	<input type="text"/>	Short term***:	<input type="text"/>
vi) Other foreign consultants in project****:	Long term** :	<input type="text"/>	Short term***:	<input type="text"/>
vii) Other local consultants in project****:	Long term** :	<input type="text"/>	Short term***:	<input type="text"/>

*employees on contract—not counted as consultants, ** > 1 year, *** ≤ 1 year, intermittent, ****not employed in project office

12. How are Government officers funded in your Project Office:

- All are funded by a component of the ADB loan
- Some are funded by a component of the ADB loan
- All or some are funded by regular budget of the agency’s or Government
- All or some are funded by the government’s public investment budget (government project funds)
- Combinations of loan funds and other sources than Government or agency
- Other sources

13. Do PO staff at present get higher salaries and allowances than other agency staff?

Government officers

- Yes, funded by ADB loan
- Yes, not funded by ADB loan
- No

Other employees

- Yes, funded by ADB loan
- Yes, not funded by ADB loan
- No

ABOUT CAPACITY DEVELOPMENT BY YOUR PROJECT:
--

14. Check the following statements (tick when valid):

- | | |
|--------------------------|---|
| <input type="checkbox"/> | Regular agency staff outside Project Office will do more project work if the Project gives special incentives |
| <input type="checkbox"/> | Agency has a performance incentive system, to stimulate and reward productive staff |
| <input type="checkbox"/> | Government officers resigned or went on leave of absence, and joined our Project Office as consultants |
| <input type="checkbox"/> | Project consultants in the Project Office have done more operational than as per their TOR. |

15. What kind of Consultants did/does your Project use (tick):

- | Foreign | Local | Contractuals | |
|--------------------------|--------------------------|--------------------------|------------------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Design and Supervision Consultants |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Project Management Consultants |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Other consultants |

16. What has been the main role of consultants/contracted staff in the Project?

- | Foreign | Local | Contractuals | |
|--------------------------|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | They supplement agency staffing for operational tasks |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | They substitute for available agency staff for operational tasks |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | They provide on-the-job training or advice or doing studies |

17. Which types of capacity development are major or minor in the project?

- | Major | Minor | None | |
|--------------------------|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Construction of offices/training centers or other facilities |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Individual skills development* |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Organization development** |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Project management capacity development |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Project implementation capacity development |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Operation & maintenance of infrastructure capacity development |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Strategy/policy/legal development |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | Service delivery capacity development |

*training, fellowships, **reorganization, recruitment/laying off of staff, new org. procedures/systems/resources

18. What are in your view main staff capacity problems in your agency?

- | | |
|--------------------------|--|
| <input type="checkbox"/> | Lack of staff in agency (lack of positions or filled positions) |
| <input type="checkbox"/> | Staff turnover is high due to () promotions/transfer policies; () competition other agencies/ private sector |
| <input type="checkbox"/> | Available staff is underpaid and does not perform well for this reason |
| <input type="checkbox"/> | Available staff is demoralized due to political decision-making, corruption, stagnation, threats |
| <input type="checkbox"/> | Available staff have insufficient capacity, qualifications or experience |
| <input type="checkbox"/> | Tenure of senior staff in Project is too short (due to transfers etc.) |
| <input type="checkbox"/> | Tenure of senior staff in agency is too short (due to transfers etc.) |
| <input type="checkbox"/> | Lack of interest / incentive to move to project area or field in general. |

19. Are there experiences with irregularities or corruption in the context of your Project? (if so, explain)

- | | |
|--------------------------|---|
| <input type="checkbox"/> | No |
| <input type="checkbox"/> | Project staff have suspected irregularities () or witnessed attempts at corrupt practices () (pls. tick) |
| <input type="checkbox"/> | Written allegations of irregularities () or corruption () have been made (pls tick) |
| <input type="checkbox"/> | Irregularities () and / or written allegations of corruption () have been satisfactorily dealt with (pls tick). |

Comments:

<i>Thank you for taking the time to complete this questionnaire!</i>
--

PERFORMANCE ASSESSMENTS OF TWO CENTRALLY SPONSORED SCHEMES IN INDIA

A. Accelerated Urban Water Supply Program (AUWSP)

1. To increase the piped water coverage of smaller urban local bodies, which historically suffer from shortage of funds and unsustainable service management practices, the Government of India (the Government) decided to launch a separate program of Accelerated Urban Water Supply in the 8th Five Year Plan (FYP), to provide investment supports for sustainable water supply in towns with a population of less than 20,000 (1991 census). The program was initiated during 1993–1994 and is under implementation in all states and Union Territories except Andhra Pradesh, Dadra and Nagar Haveli, Delhi, Lakshadweep, and Pondicherry.

2. The main features of the program are (i) to provide a better incentive and create an environment in the water supply sector by placing emphasis on the rationalization of tariffs, separation of budget of water supply and sanitation from the municipal budget, extension of subsidies to well-identified target groups, water conservation, operation and maintenance and distribution in preference to new capital works, leak detection, preventive maintenance, and rehabilitation of the existing system; (ii) to treat water supply as a public utility rather than a free service, and to make efforts to bring about greater private sector participation and investment in this sector; and (iii) to improve the quality of life of the poor, particularly the most vulnerable sections of the population such as women, children, and other deprived groups that do not have access to safe drinking water.

3. **Financing Pattern and Performance.** The Program was to be funded on a grant basis: 50% by the central Government and 50% by the state government, including 5% beneficiary contribution. Release of funds for AUWSP was, at first view, based on the selection of towns/schemes after considering the detailed project reports (DPR) of individual towns. Funds were to be released to the state governments or designated nodal agencies on the basis of the estimated cost of the selected schemes.

4. The Program provided for the release of 25% of the central share when the scheme was selected and the remaining 75% in the following manner: (i) 50% of the eligible central share was payable as the second installment upon (a) release of the first installment (2%) of the state share; (ii) completion of the groundwork for execution of the scheme, including award of contracts or placement of orders for supply of materials, etc., wherever required; (iii) utilization of the first installment of the central share (25%) and the state share (25%); (iv) submission of DPRs and their approval, in case the first installment was released prior to the receipt of DPRs; and (v) 25% of the remaining central share was payable as the third and final installment upon (a) release of the second installment of the state share (50%), and (b) utilization of 80% of the total funds released for the scheme.

5. **Program Performance.** The Comptroller and Auditor General, India (CAG) performed a comprehensive audit of the AUWSP in 2003¹ and examined the Program's performance in terms of achieving the objectives and meeting the physical targets set out in the annual plans of central and state governments. Some of the salient features of the Program's performance are listed below:

- (i) Only 575 schemes have been sanctioned since 1993–1994, while a total of 2,151 small town schemes was targeted. Of these, 200 schemes (35%) had been

¹ Comptroller and Auditor General. *Annual Audit Report*. Delhi (Chapter 4: Ministry of Urban Development and Poverty Alleviation, Accelerated Urban Water Supply Program, 155–209).

- completed and/or commissioned, 274 schemes were ongoing, and 101 were to be taken up as of March 2001.
- (ii) Of the total central and state assistance of Rs4.791 million released up to March 2001, constituting 68% of the estimated cost of 575 schemes, Rs3,295 million (69%) was spent, leaving an unspent balance of Rs1,497 million (31%). Rs0.557 million was diverted to activities not connected with the Program, retained in deposits, or misappropriated, etc.
 - (iii) Central releases were made without the states releasing their share of the first installment of funds. Against the total central share of Rs2,656 million, the matching state share and ULB's contribution fell short by Rs0.514 million. There were delays in the release of funds to the executing agencies by the state governments, ranging from 2 to 60 months and short/non-release of funds aggregating to Rs0.554 million to the implementing agencies.

6. The evaluation highlighted numerous cases of diversion and retention of funds as well as misuse of resources. In most states, the community had not been involved in the planning, design, execution, and operation of the schemes. Asset maintenance was poor because of non-maintenance of assets records, and failure to hand over assets to the local communities. Impact Assessment of the Program revealed an absence of community participation at any level in 23 states (Box 1).

**Box 1: Comptroller and Auditor General, India's Evaluation
of the Accelerated Urban Water Supply Program of the Government of India**

The basic objective of the Program, launched in March 1994, was to provide safe and adequate water supply to towns with a population of less than 20,000. However, audit findings revealed that the main objective of the project—to treat water supply sector as a public utility rather than a free service; and to improve the quality of life of vulnerable sections of the society such as women, children and other deprived sections without access to safe water—did not materialize. Of 2,151 towns estimated to be covered at a cost of Rs2,000 crore, schemes covering only 575 towns (27%) were sanctioned, involving release of Rs479.14 crore (24%), as of March 2001. The envisaged 5% contribution from the local urban bodies towards the project cost was not received and, in the absence of a proper tariff structure or inadequacies therein, the objective of the Program to be self-sustaining was not achieved. Schemes were started without completion of necessary groundwork resulting in a large number of them remaining incomplete. There were numerous cases of diversion and retention of funds in deposits as well as misuse of resources. Water quality was suspect since no regular testing of water samples was done. In most States, the community was not involved in the planning, design, execution and operation of the schemes. Asset maintenance was poor because of non-maintenance of assets records and failure to hand over assets to the local communities. Impact Assessment revealed absence of any kind of community participation in 23 states. A total of 824 problem towns identified in 18 states remained uncovered and no exercise was undertaken to identify problem towns in another 5 states. The incidence of water borne diseases increased in many states. The monitoring and review mechanism did not effectively track physical and financial progress of the schemes of state governments, neither did the Ministry undertake any evaluation study of the Program to assess its impact.

Source: Preamble of *Comptroller and Auditor General, India (2002), Annual Audit Report, Chapter 4, Report on AUWSP*, page 155. India.

B. Mega City Scheme (MCS)

7. The Planning Commission and the Ministry of Urban Development initiated the centrally sponsored scheme of infrastructure development of megacities in 1993–1994 as a joint effort. The

scheme is governed by two guidelines issued by the Government in March 1995 and June 1995. The main features of the scheme, according to government guidelines, are the following:

- (i) The scheme is applicable to Bangalore, Chennai, Hyderabad, Kolkata, and Mumbai.
- (ii) Investment sharing between the central and state governments will be in ratio of 25:25 and the remaining 50% of the investment will be met from the institutional finance and capital market.
- (iii) The central share of the funds is given directly to a designated nodal agency as grant as a seed capital for a revolving fund, from which finance could be provided to various implementing agencies.
- (iv) Project based loans are given to various implementing agencies with a judicious mix of grants and loans for supporting viable projects in water supply and sanitation, city transport, land development, slum improvement, etc.
- (v) Only projects with regional or city-wide significance will be supported by the scheme.
- (vi) Projects are funded based on the following mix: 40% of the projects in revenue-generating and commercially viable projects, 30% in projects for which user charges could be levied to meet at least the operation and maintenance costs, and the remaining 30% of projects basic services absolutely essential for improving the quality of life in the city.

C. Performance of the MCS

8. A review of the MCS undertaken by the National Institute of Urban Affairs highlighted the following findings.²

9. The project financing mix of 40:30:30 between commercially viable projects, user charges based projects, and basic service projects, was not being adhered to by the nodal implementing agencies. This is due to difficulties in developing and executing commercial viable urban infrastructure projects because of low returns and high institutional costs.

10. Allocation of funds based on the performance assessment of reforms could not be done because of difficulties in quantifying the various reforms undertaken by each megacity, and apportioning ongoing reforms to the scheme.³ Financing reforms, such as special purpose vehicles and preparation of metropolitan plans, were one-off activities.

11. The MCS guidelines stipulated that a minimum of 75% of the central and state financial assistance share should remain in the nodal agencies by the end of the 9th FYP. No nodal agency has been able to achieve this because most of the projects funded were service projects with a repayment period of 15 years, and a low interest rate of 5% per annum.

12. Due to the limited fund availability and uncertainty about the continuation of the scheme by the Government, many projects could not be taken up under the scheme. For example, the Bombay Municipal Corporation did not participate in the scheme because the scheme could not support large and long gestation projects.

13. Lack of in-house capacity to prepare detailed project reports, and operational difficulties in engaging consultants because of the uncertainty of project approval by the sanctioning committee,

² National Institute of Urban Affairs. 2000. *Impact Assessment of Mega City Scheme*. Delhi.

³ The funding share of the central Government is released based on the project performance criteria, which were calculated on the basis of a weighted performance index.

resulted in long delays in the (i) conceptualization, identification, and selection of projects; and (ii) preparation of technical reports.

14. As a result, the physical performance of the scheme was not encouraging. Out of the 302 schemes sanctioned in the five cities, only 20% of the projects could be completed after 6 years since the scheme began.

15. Most megacities failed to mobilize the required level of institutional finance (50%) of the project cost. Compared with the total central and state share of Rs9,195 million released until 2000, only Rs6,188 million could be mobilized through institutional loans. The main reasons for the difficulties in raising institutional loans were the high rate of interest charged by the financial institutions, and the requirement of state guarantee or mortgage of assets.

16. The reviews suggest that, while reform-linked investment programs are important, these programs faced serious institutional and operational impediments, some of which remain. These difficulties include (i) operational difficulty in quantifying and apportioning reforms to the investment programs, (ii) lack of commercially viable projects to meet the project mix criteria, (iii) lack of local capacity to develop and implement projects with least time and cost overruns, and (iv) institutional restraints on the part of financial institutions to lend to state agencies or municipal bodies without state guarantee or mortgage assets. Since the National Urban Renewal Mission (NURM) proposed by the Ministry of Urban Development (MUD) is conceptualized on the basis of these reform-linked urban sector projects, the opportunity for ADB to partner with MUD lies in its ability to lend local currency funds to urban local bodies on competitive terms and conditions.

17. Compared with the CAG observation that there were numerous cases of diversion and misuse of funds in the AUWSP, the project completion reports of both Karnataka Urban Infrastructure Development Project (KUIDP) loans and the project performance evaluation report did not find similar transparency and reputation risk issues. Financial management and accounting processes and the transparent procurement systems established in the ADB projects have been relatively successful.

**VALUE ADDED AND LOST AS A RESULT OF ASIAN DEVELOPMENT BANK
INVOLVEMENT IN URBAN SECTOR PROJECTS IN INDIA**

1. Perceived value added by Asian Development Bank (ADB) financing and involvement in the project:

- (i) ADB's grant-based preparatory technical assistance (TA), special TAs, and particularly bridging TAs, to speed up the readiness of projects
- (ii) The competitiveness of ADB's loans. Other loan financing options available on the local market have worked out more expensive, although the gap is narrowing.
- (iii) The size of project that ADB financing allows. This makes a national or statewide discussion—therefore national impact—more likely.
- (iv) ADB's systems, such as procurement (two envelope system, etc.), are seen as superior to locally applied systems or practices.
- (v) ADB's rigor in enforcing a modern management practice.
- (vi) Inclusion of covenants in the loan agreement is useful to convince stakeholders to implement beneficial policies and programs.
- (vii) Increasing assistance to project implementation by ADB's India Resident Mission.

2. Perceived value lost during ADB involvement:

- (i) ADB's preparation process for loan approval and implementation takes too long. ADB does not fully appreciate that the Government of India prefers results which are not stretched out over many years.
- (ii) ADB's project preparatory TAs are often too short to allow for the identification of a solid, optimal package of investments; and to fully discuss with the executing agency and cities.
- (iii) The cost of commitment charges attached to ADB loans is too high and the schedules for their use are unrealistic, thereby leading to extra costs.
- (iv) The cost of preparing environmental and social safeguards is perceived as high.
- (v) The Ministry of Finance perceives the quality of ADB staff as lower than a number of years before, especially in terms of the preparation of new loans.
- (vi) The cost of consultants is viewed as high, and the quality as leaving much to be desired occasionally; DEA perceives ADB as relying too much on expensive foreign consultants.
- (vii) ADB's insistence on following its own procedures may also be insensitive to India as a thriving democracy where public interest litigation is a normal occurrence.
- (viii) ADB's procurement procedure for international competitive bidding, which allows only two bids per country, is regarded as inflexible.
- (ix) Strict adherence to the reimbursement percentage for expenditure on individual budget lines creates difficulties for project planning.
- (x) The expression of the loan amount in dollars creates planning difficulties, especially when the exchange rate is unstable and reimbursement in dollars is months or sometimes longer than a year from the purchase of the local good or service.
- (xi) The use of the imprest account is somewhat inflexible, in that interest booked on savings on imprest accounts cannot accrue to the project or ADB. ADB's insistence on the use of benefit monitoring and evaluation consultants is not well appreciated.