

ASIAN DEVELOPMENT BANK

ANNUAL REPORT

ON THE

**COOPERATION FUND IN SUPPORT OF THE FORMULATION AND
IMPLEMENTATION OF NATIONAL POVERTY REDUCTION STRATEGIES
November 2001–December 2002**

September 2003

ABBREVIATIONS

ADB	–	Asian Development Bank
DFID	–	Department for International Development of the Government of the United Kingdom
DMC	–	developing member country
FSM	–	Federated States of Micronesia
IMF	–	International Monetary Fund
JFPR	–	Japan Fund for Poverty Reduction
MDC	–	Ministry for Development Cooperation
MDG	–	Millennium Development Goal
MKOC	–	Operations Coordination Division, Mekong Department
NGO	–	nongovernment organization
NPRS	–	Cooperation Fund in Support of the Formulation and Implementation of National Poverty Reduction Strategies
PAHQ	–	Pacific Operations Division, Pacific Department
PRC	–	People's Republic of China
PRF	–	Poverty Reduction Cooperation Fund
RSDD	–	Regional and Sustainable Development Department
RSPR	–	Poverty Reduction and Social Development Division of RSDD
SASS	–	Social Sectors Division, South Asia Department
TA	–	technical assistance
UNDP	–	United Nations Development Programme

NOTE

In this report, "\$" refers to US dollar.

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I. INTRODUCTION

1. This first Annual Report on the Cooperation Fund in Support of the Formulation and Implementation of National Poverty Reduction Strategies (NPRS) covers the period from the NPRS' establishment in November 2001 to 31 December 2002. The Report begins with a background on the NPRS, and describes the progress of project implementation and strategic programming as of 31 December 2002.

2. The Report was prepared by the Regional and Sustainable Development Department (RSDD) of the Asian Development Bank (ADB) in compliance with the reporting requirements stipulated in the NPRS Board Paper.¹ It builds on the semiannual progress updates that have been submitted to the Government of the Netherlands.² The annual report for 2003 will be submitted in early 2004.

II. BACKGROUND

A. Objectives

3. On 22 November 2001, the Netherlands Ministry for Development Cooperation (MDC) established the NPRS by making an initial contribution of Dutch guilders 15 million³ (approximately \$6 million). The NPRS supports ADB's poverty reduction strategy by helping developing member countries (DMCs) formulate, prioritize, implement, monitor, and reformulate their respective national poverty reduction strategies. It does so through (i) technical assistance (TA) grants (i.e., collaborative work with stakeholders in DMCs and research support), (ii) regional training and capacity building activities, and (iii) piloting of participation activities for poverty reduction and governance.

B. Eligibility

4. To be eligible for NPRS assistance, proposals should (i) strongly focus on formulation of a national poverty reduction strategy, (ii) show evidence of country ownership and the inclusiveness of the proposed approach, (iii) promote sound collaboration with other aid agencies, (iv) avoid supporting activities that would otherwise be financed by ADB (additionality factor), and (v) support systemic poverty reduction in the selected DMCs.

5. The NPRS finances activities in selected DMCs and ADB headquarters. Given its size, the NPRS initially focused only on Cambodia, People's Republic of China (PRC), Indonesia, Pakistan, Uzbekistan, and Viet Nam. In addition, some proposals were selected on the basis of demand from DMC governments, perceived local ownership and commitment among both government and civil society for a national poverty reduction strategy, perceived need for strategic planning in poverty reduction, availability of other ADB TA resources, and the role that ADB can play in the process vis-à-vis other sources.

¹ ADB. 2001. Cooperation Fund in Support of the Formulation and Implementation of National Poverty Reduction Strategies. Manila.

² The first and second Semi-Annual Progress Updates were submitted on 30 September 2002 and 26 May 2003, respectively. However, the reporting period for the Second Semi-Annual Progress Update also includes the first quarter of 2003 that is not covered by this Report.

³ The Dutch guilder was converted into the euro on 1 January 2002 (1 euro = Dutch guilders 2.20371), and into the US dollars from the euro henceforth.

C. Strategic Management

6. When the NPRS was established in November 2001, the Strategy and Policy Department was responsible for its management. However, following ADB's reorganization in January 2002 and the new business processes,⁴ the Poverty Reduction and Social Development Division (RSPR) of RSDD was assigned the task. RSDD/RSPR also performs similar functions for the Poverty Reduction Cooperation Fund (PRF) financed by the Department for International Development (DFID) of the Government of the United Kingdom. RSDD/RSPR functions as ADB's internal clearinghouse for policy compliance and quality assurance for the NPRS. The Office of Cofinancing Operations acts as the official channel of communications between external agencies and ADB, particularly on the financial performance of the NPRS.

D. Development Partnership

7. The NPRS complements ADB's other poverty reduction funds, such as the PRF, Japan Fund for Poverty Reduction (JFPR), and Technical Assistance Cooperation Fund for India. The aid agencies' efforts in establishing the poverty reduction funds help ADB operations support poverty reduction activities, particularly in view of the continuing constraints on ADB's technical assistance resources.

8. As mentioned in para. 6, the administration and management of the NPRS is carried out in close coordination with the PRF.⁵ Together with the representative of the Netherlands MDC, ADB and DFID hold six-monthly strategy meetings in Manila to discuss the work program for the PRF and the NPRS and the status of project implementation. The agenda of these six-monthly strategy meetings, among others, includes (i) indicative allocation of resources and strategic rolling work program; (ii) program and portfolio management to balance the country, sector, and thematic allocations; (iii) implementation issues and aid coordination; and (iv) PRF and NPRS activities undertaken and their poverty reduction impacts.

E. Project Processing

9. During the reporting period, the NPRS project processing steps evolved over time due to the introduction of ADB's new business practices (para. 6) and the procedural alignment with PRF (para. 8). By late 2002, the following steps had become standard procedures. RSDD receives requests for NPRS assistance from the ADB regional departments or resident missions throughout the year. After a brief discussion, ADB staff prepare proposals and submit them to RSDD. The concept papers are screened in light of the NPRS eligibility criteria (para. 4). RSDD then organizes peer review meetings to solicit comments from selected staff and to refine the proposals. RSDD then consolidates the proposals in the semiannual work program, and submits them to the Netherlands MDC. The proposals are finally endorsed for funding during the NPRS/PRF strategy meetings (para. 8). From then on, the operational project teams process the respective TA papers in accordance with ADB procedures based on further discussion with the governments and civil society of the respective countries, and submit them for approval to ADB Management or Board of Directors as appropriate. ADB and the governments sign the approved TA cooperation letters and project implementation begins. The detailed NPRS/PRF processing steps are in Appendix 1.

⁴ ADB. 2002. Business Processes for the Reorganized ADB. Manila.

⁵ During the reporting period, RSDD/RSPR was assigned to administer and manage the JFPR. Effective 14 February 2003, the function was transferred to the Office of Cofinancing Operations.

III. OVERVIEW OF THE FIRST YEAR OF OPERATIONS OF THE NPRS (November 2001 - December 2002)

A. Project Portfolio

10. As of 31 December 2002, The Netherlands MDC had endorsed 11 project proposals for financing under the NPRS. These consisted of five proposals endorsed in 2001 (for \$2.3 million), one in November 2002 (\$80,000), and five during the second NPRS/PRF Strategy Meeting on 11-13 December 2002 (\$2.76 million).⁶ Of the 11 endorsed proposals, 9 projects totaling \$3,740,000 have progressed to TA processing.⁷ The list of projects endorsed is in Appendix 2. Of the nine proposals, four (totaling \$1.2 million) have been approved by ADB Management and the rest are expected to be approved by ADB by December 2003. One proposal has been completed and fully implemented (TA 6006-Regional Conference on National Poverty Reduction Strategies, \$50,000). The description and status of projects approved by ADB are in Appendix 3.

11. NPRS projects endorsed during the reporting period include (i) a regional conference — in collaboration with the International Monetary Fund, United Nations Development Programme, and the World Bank — that reviewed the contents and process of national poverty reduction strategies; (ii) identification and prioritization of poverty-reducing activities in DMCs; (iii) civil society participation in policy formulation and monitoring; (iv) application of improved quantitative and qualitative methodologies for data collection and analysis pertinent to poverty reduction strategy development and monitoring; and (v) dissemination of national poverty reduction strategies to wider stakeholders including the poor.

12. While no target was set for the pace of commitment, given that about \$6 million was contributed for 33 months of implementation, the portfolio seems to be growing on track. In general, the NPRS project portfolio is well balanced across regions and covers all the three support areas (para. 3). It is premature to assess the outcomes and impacts of the NPRS-supported activities, but RSDD/RSPR closely monitors them in collaboration with the respective operational department.

B. Financial Status

13. The total NPRS contribution committed by the Netherlands MDC is Dutch guilders 15 million (footnote 3) for project financing from November 2001 to August 2004. As of 31 December 2002, the value of the NPRS fund (including income from investment and interest earned) was \$6,743,287.71. ADB has received \$2,320,000 equivalent. Of this amount, \$1,200,000 was committed for four projects (para. 10), for which total actual expenditures amounted to \$36,097.20 and administrative costs and bank charges to \$1,854.86. The financial statement as of 31 December 2002 is in Appendix 4.

⁶ The proposal for the People's Republic of China (Participatory Poverty Reduction Planning for Small Minorities), one of the endorsed proposals in 2001 for \$580,000, sought additional funding of \$260,000 during the Second NPRS/PRF Strategy Meeting.

⁷ Two of the proposals endorsed during the Second NPRS/PRF Strategy Meeting were later suspended for further consideration. An Asia-wide proposal (Poverty Experts, \$900,000 each from the NPRS and PRF) is considered premature and requires further discussion. Another proposal for the Greater Mekong Subregion (NGO Support for Poverty Alleviation) was divided into two phases: phase 1 (\$150,000) was endorsed for PRF financing; and phase 2 (\$350,000) for implementation in 2004 would be financed by the NPRS subject to further discussion.

14. The low disbursement is largely due to the fact that many projects are yet to be approved by ADB. The pace of processing of NPRS projects as ADB TAs is influenced by many factors, including the workload of staff, schedule of fact-finding missions, commitment of the governments, management support, and other internal and external factors. The pace of NPRS-funded TA processing will continue to be monitored by RSDD/RSPR.

15. Among the four ADB-approved projects, only one experienced slower than expected disbursement, due to delay in obtaining government concurrence (TA 3781-UZB⁸). In general, however, it is generally understood that poverty reduction-oriented TA would take longer than a normal ADB TA as the former promotes bottom-up capacity building as well as multistakeholder participation.

C. Strategic Management

16. During the reporting period, the transfer of NPRS management from the Strategy and Policy Department to RSDD was a positive development. RSDD's strategic position vis-a-vis the regional departments has allowed the preparation of quality proposals as well as synchronization with core poverty reduction activities of ADB. Joint management of NPRS along with the other poverty reduction funds managed by RSDD, especially PRF, has increased effective coordination among aid agencies.

17. The joint processing arrangement of NPRS and PRF projects has proven to be an effective mechanism for both the aid agencies and ADB. The following were important lessons learned from the first year of the NPRS/PRF operations:

- (i) The peer review process is generally an important learning opportunity and assures project quality. It should be continued and proposals should be reviewed by the peer review group before they are submitted to the aid agencies for prioritization at the strategy meeting.
- (ii) Existing poverty funds should remain open to receive funds from other sources.
- (iii) Coordination with other grant funds administered by RSDD (e.g., water, governance, gender) should be pursued further, and cross-fertilization and cross-learning across various funds should be strongly encouraged.
- (iv) NPRS/PRF-supported activities should be over and above the poverty-reduction activities of ADB.
- (v) The pace of processing and implementation should be closely monitored, and, if necessary, procedural adjustments should be considered.

⁸ ADB. 2001. *Technical assistance for Preparing a Comprehensive Medium-Term Strategy for Improving the Living Standards of the People of Uzbekistan*. Manila.

D. Outreach and Visibility

18. To strengthen visibility, RSDD has undertaken various initiatives, including news releases,⁹ the NPRS website (<http://www.adb.org/nprs>), the *Poverty Grant Funds at Work* newsletter (October 2002), and several ADB-wide and interdepartmental briefings¹⁰ to further familiarize ADB staff with the NPRS and other poverty reduction funds, and encourage its effective utilization.

19. Generally, in the first year of operations, the NPRS has achieved wide recognition both from inside and outside ADB as a useful mechanism to help DMCs articulate their strategic priorities on poverty reduction as well as develop effective frameworks for monitoring.

IV. FOCAL ACTIVITIES FOR THE YEAR 2003

20. Two semiannual strategy meetings were scheduled for 2003. The first strategy meeting is already completed (28-30 July 2003), and the following are set as targets for the rest of the year.

- (i) Accelerate ADB approval of projects endorsed by the Netherlands MDC by setting a cutoff date for ADB approval and establishing streamlined procedures.
- (ii) Accelerate implementation of approved projects through strengthened monitoring of disbursement targets.
- (iii) Continue to help the regional departments prepare quality proposals through the peer review process.
- (iv) Enhance outreach and communications regarding the NPRS through the revamped web-site, other media tools, and continued consultation with regional departments.
- (v) Monitor demonstrable outcomes of the activities carried out and their impacts on ADB operations.
- (vi) Continue harmonization with other grant funds from aid agencies.

⁹ E.g., (i) ADB.2001. ADB, IMF, World Bank, and UNDP to Sponsor Regional Conference in Hanoi on National Poverty Reduction Strategies, News Release No. 175/01, 29 November; (ii) ADB. 2002. ADB to Administer Multi-Donor Funds for Poverty Reduction and Governance, News Release No. 002/02, 3 January; (iii) ADB. 2002. ADB and Netherlands Sign Accord to Streamline Assistance, News Release No. 122/02, 30 July. Available: <http://www.adb.org/News/releases.asp>

¹⁰ E.g. (i) ADB-wide briefing on the poverty reduction funds (26 April 2002); (ii) three interdepartmental briefings (May 2002); (iii) meeting on budget administration (25 June 2002); (iv) meeting to strengthen sense of ownership in the regional departments (26 June 2002); (v) two NPRS/PRF strategy meetings (15-17 July and 11-13 December 2002); and (vi) presentations for gender consultants (September 2002), DMC officials (11 November 2002), and staff (9 December 2002).

NPRS PROJECTS ENDORSED BY THE GOVERNMENT OF THE NETHERLANDS

Country/ Region	Project Title	NPRS Contribution	Division	Donor Endorsement	TA Number	Expected/Actual Date of ADB Approval
A. Projects Under Processing		\$1,940,000				
Greater Mekong Subregion	Regional Poverty Monitoring	\$600,000	MKOC	November 2001	-	December 2003
PRC	Participatory Poverty Reduction Planning for Small Minorities	\$840,000	PRCM	\$580,000 in December 2001 and \$260,000 in December 2002 (2nd NPRS/PRF Strategy Meeting)	-	August 2003
Pacific	The Pacific Poverty Analysis Initiative -- Priority Data Collection, Strategy Formulation, and MDG Monitoring ^a	\$400,000	PAHQ	December 2002 (2nd NPRS/PRF Strategy Meeting)	-	December 2003
South Asia	Social Protection Index for Committed Poverty Reduction ^b	\$300,000	SASS	December 2002 (2nd NPRS/PRF Strategy Meeting)	-	August 2003
Asia	Sustainable Capacity Building in Partnership for Monitoring ADB's Poverty Partnership Commitments	\$400,000	RSPR	December 2002 (2nd NPRS/PRF Strategy Meeting)	-	December 2003
B. ADB-Approved Projects		\$1,200,000				
Southeast Asia	Regional Conference on National Poverty Reduction Strategies	\$50,000	AWD	November 2001	6006	21 November 2001
Uzbekistan	Preparing a Comprehensive Medium-Term Strategy for Improving the Living Standards of the People of Uzbekistan	\$570,000	ECAE	November 2001	3781	28 November 2001
Pacific	Preparation of National Poverty Reduction Strategies in Pacific Developing Member Countries	\$500,000	PAHQ	November 2001	6047	6 September 2002
Cambodia	Dissemination of the National Poverty Reduction Strategy	\$80,000	MKOC	November 2002	4037	16 December 2002
Grand Total Amount (A + B)		\$3,140,000				

AWD = Agriculture Department West; ECAE = Agriculture, Environment, and Natural Resources Division, East and Central Asia Department; MDG = Millenium Development Goals; MKOC = Operations Coordination Division, Mekong Department; PAHQ = Pacific Operations Division, Pacific Department; PRC = People's Republic of China; PRCM = PRC Resident Mission; RSPR = Poverty Reduction and Social Development Division, Regional and Sustainable Development Department; SASS = Social Sectors Division, South Asia Department

^a Has additional funding in the same amount from the Poverty Reduction Cooperation Fund.

^b See footnote a.

DESCRIPTION AND STATUS OF NPRS PROJECTS APPROVED BY ADB¹

1. This appendix describes four projects approved by the Asian Development Bank (ADB) for funding by the Cooperation Fund in Support of the Formulation and Implementation of National Poverty Reduction Strategies (NPRS).

A. TA 6006: Regional Conference on National Poverty Reduction Strategies

Department/Division: Agriculture Department West

Project Officer: Brent Dark (bdark@adb.org)

Status: Completed

NPRS Contribution: \$50,000

Date of ADB Approval: 21 November 2001

2. **Project Description.** In collaboration with International Monetary Fund (IMF), United Nations Development Programme (UNDP) and World Bank, ADB organized a conference for participants from Southeast Asia (including Greater Mekong Subregion and the People's Republic of China) to discuss progress in poverty strategy formulation. The conference was held in Hanoi, Viet Nam, in December 2001, with broad-based participants from Cambodia, then East Timor now Timor-Leste, Indonesia, Lao People's Democratic Republic, Mongolia, and Viet Nam. The three specific objectives of the conference were to (i) review and exchange experience on the development of national poverty reduction strategies, (ii) identify obstacles and challenges countries face in designing and implementing such strategies, and (iii) derive lessons for the future. The regional technical assistance (TA) supported the participation of local experts from developing member countries (DMCs), and staff expertise.

3. Similar regional conferences took place in Senegal (for Africa), Bolivia (for Latin America) and Hungary (for Western Europe), and the results were summarized in an international conference organized by IMF and World Bank in Washington, DC on 14-17 January 2002.

4. **Outcome/Impacts.** The funding from the NPRS provided ADB an opportunity to develop and maintain strategic partnerships on poverty reduction strategies with proven important key multilateral agencies such as IMF, World Bank, and UNDP. Such an initiative has proven important as it pointed out potential overlaps and conflict between existing national poverty reduction strategies and poverty reduction strategy papers.

5. The conference was the first of a series of high-level meetings to take stock of the national poverty reduction strategies and poverty reduction strategy paper processes. It was well attended by key stakeholders from the participating DMCs (para. 1), aid agencies, and a few nongovernment organizations (NGOs). Out of this first conference, many follow-up meetings for aid agency donor harmonization (on a country-by-country basis) followed, and capacity building initiatives to support the Government in strategic planning have emerged. For more details, the Summary Proceedings of the Conference are available for review.²

¹ As of 31 December 2002.

² The Summary Proceedings are posted at www.worldbank.org/wbi/attackingpoverty/eap/eapforum.html.

B. TA 3781-UZB: Preparing a Comprehensive Medium-Term Strategy for Improving the Living Standards of the People of Uzbekistan

Department/Division: East and Central Asia Department/
Agriculture, Environment, and Natural Resources Division

Project Officer: Lourdes Adriano (ladriano@adb.org)

Status: Ongoing

NPRS Contribution: \$570,000

Date of ADB Approval: 28 November 2001

6. **Project Description.** The main objectives of the technical assistance (TA) are to support the Government's activities in (i) assessing and consolidating the various approaches, programs, resolutions, and decrees of the Government as well as existing data and research findings related to improvement of living standards; (ii) conducting special studies on the priority areas identified by the Government; (iii) holding workshops and other participatory meetings related to strategy formulation; and (iv) preparing an overall strategy and action plans for improving living standards.

7. The estimated total cost of the TA is \$1.15 million, of which ADB's share is \$800,000 (\$570,000 from NPRS and the remaining from ADB resources), and the Government's is \$350,000 equivalent. The TA duration is 1 year.

8. **Status.** The Letter of Agreement between the Government of Uzbekistan and ADB was signed in July 2002. Contract negotiations with the consulting firm (Townland Consultants Limited Hongkong) were completed on 28 November 2002.

C. TA 6047: Preparation of National Poverty Reduction Strategies in Pacific Developing Member Countries

Department/Division: Pacific Department/Pacific Operations Division

Project Officer: Stephen Pollard (spollard@adb.org)

Status: Ongoing

NPRS Contribution: \$500,000

Date of ADB Approval: 6 September 2002

9. **Project Description.** ADB has been asked by the aid community and DMCs to take the lead in coordinating a regional response to strategic poverty analysis. The TA builds on the initiatives that have already been taken by ADB³ by (i) formulating country-owned national poverty reduction strategies and integrating them into existing country development strategies; (ii) updating poverty assessments for all Pacific DMCs, including household income and expenditure survey in selected DMCs and establishment of poverty lines where feasible; and (iii)

³ ADB has already supported (i) quantitative poverty assessments (household income and expenditure surveys) in the Cook Islands (in 2001), then East Timor now Timor Leste, Federal States of Micronesia, Kiribati, Samoa, and Tonga; (ii) qualitative poverty assessments in Kiribati, Papua New Guinea (formulation of a poor peoples' perspective on poverty), Samoa, and Vanuatu; and (iii) poverty strategy formulation in then East Timor now Timor - Leste, Kiribati, Marshall Islands, Papua New Guinea, Samoa, and Vanuatu.

publishing Poverty in the Pacific, Priorities of the Poor for Selected DMCs, and other poverty strategies publications. The TA is fully financed by the NPRS, and is being implemented in Fiji, Federal States of Micronesia (FSM), Fiji, Tonga, and Tuvalu.

10. **Status.** The TA began in late 2002 with the recruitment of a development economist in November 2002 and the proposal to engage a social development analyst in January 2003. The consultants would present their work plan in a brown-bag seminar at ADB headquarters. They would carry out fieldwork in Fiji starting early 2003. The following tasks were scheduled for completion by the first quarter of 2003: (i) quantitative analysis of poverty, (ii) validation of current development strategy and poverty reduction programs, (iii) assessment of Millennium Development Goals indicators in Fiji (development economist), and (iv) participatory poverty assessment for Fiji (social development analyst). Similar work would be conducted in FSM, Tonga, and Tuvalu over the remainder of 2003.

D. TA 4037-CAM: Dissemination of the National Poverty Reduction Strategy

Department/Division: Mekong Department/Operations Coordination Division

Project Officer: Barend Frielink (bfrielink@adb.org)

Status: Ongoing

NPRS Contribution: \$80,000

Date of ADB Approval: 16 December 2002

11. **Project Description.** The TA is part of a larger, longer-term and coordinated effort to operationalize the national poverty reduction strategy, including (i) strengthening key coordination mechanisms at the General Secretariat of the Council for Social Development, (ii) better understanding of and public debate on poverty issues in Cambodia, and (iii) capacity building activities with line ministries for operationalizing poverty reduction planning and program design.

12. **Status.** So far, only the launching of the project has been funded. The inception of the TA was to be carried out in March 2003. The bulk of the activities will be done by an NGO, after the national elections scheduled in 2003.

ASIAN DEVELOPMENT BANK
ADMINISTRATOR FOR
TECHNICAL ASSISTANCE GRANT FUND
COOPERATION FUND FOR NATIONAL POVERTY REDUCTION STRATEGIES
(GOVERNMENT OF NETHERLANDS)

STATUS OF GRANT (CONTRIBUTION)
as of 31 December 2002
(\$)

TOTAL CONTRIBUTION COMMITTED (Euro 6,783,221.37) ^a		6,681,608.08
Add: Gain arising from change in value of currency		<u>24,025.20</u>
Amount received	2,320,000.00	
Receivable from Government of Netherlands	<u>4,385,633.28</u> ^c	6,705,633.28 ^d
Add: Income from investment	34,283.00	
Interest income	<u>3,371.43</u>	<u>37,654.43</u>
TOTAL AMOUNT AVAILABLE		6,743,287.71 ^d
Less: Project expenditures	(36,097.20)	
ADB administration cost	(1,804.86)	
Bank charges	<u>(50.00)</u>	<u>(37,952.06)</u>
UNUTILIZED BALANCE		6,705,335.65
Less: Outstanding commitments	(1,145,855.00)	
Reserve for ADB administration cost	<u>(57,292.75)</u> ^e	<u>(1,203,147.75)</u>
BALANCE AVAILABLE FOR FURTHER COMMITMENTS		<u><u>5,502,187.90</u></u>

^a Equivalent to Dutch guilder 15 million converted on 1 January 2002 (Euro 1 = Dutch guilders 2.20371).

^d Represents the sum of utilized and unutilized contributions expressed in \$ equivalents.

^c Undrawn contributions in local currency are translated at the applicable exchange rate as of 31 December 2002.

^d Represented by

Cash		275,564.37
Investments		2,033,887.52
Undrawn contribution - Receivable from the Government of the Netherlands (Contribution of Euro 6,783,221.37 less Euro 2,597,257.20))		4,385,633.28
Accrued interest		395.48
Advances		10,000.00
Less: interfund payable		<u>(145.00)</u>
		<u><u>6,705,335.65</u></u>

^e Represents 5% of outstanding commitments.