

SUMMARY STATEMENT OF STRATEGY

Item	Good Governance	Social Development	Pro-Poor Economic Growth
Strategic Focus	<p>Strengthen policy formulation and governance capacity of key economic and financial institutions</p> <p>Improve budgeting, accountability, and financial management</p> <p>Reform taxes and improve compliance</p> <p>Improve effectiveness of public sector management</p>	<p>Support development of sustainable infrastructure and basic social services in the outer island communities</p> <p>Support improvement in health status of the population</p> <p>Support improvements in education and skill development</p>	<p>Support private sector development</p> <p>Support development of employment opportunities, both domestic and overseas</p> <p>Support economic development of the outer islands</p>
Ongoing/Proposed Loans	<p>Fiscal and Financial Management Program (2001)</p>	<p>Skills Training and Vocational Education Project (2000)</p> <p>Outer Island Transport Infrastructure Project (2002 pipeline)</p> <p>Outer Island Basic Social Services Project (2004 pipeline)</p>	<p>Skills Training and Vocational Education Project (2000)</p> <p>Outer Island Transport Infrastructure Project (2002 pipeline)</p>
Ongoing/Proposed TAs	<p>Fiscal and Financial Management (ongoing TA)</p> <p>Implementation of the Medium-Term Budget Framework and Improving Effective Delivery of Public Services (2003)</p> <p>Strategic Advisory Team (2004)</p> <p>Improving Economic Management and Preparation of Economic Report (2004)</p>	<p>Institutional Support for Outer Island Transport Services (2002)</p> <p>Outer Island Basic Social Services (2003)</p>	<p>Enhancing Environment for Private Sector Development (2002)</p> <p>Institutional Support for Outer Island Transport Services (2002)</p> <p>Improving Economic Management and Preparation of Economic Report (2004)</p> <p>Support to Private Sector Unit II (2004)</p> <p>Support to Tourism Development II (2005)</p>
Target Outcomes	<p>Budget process that incorporates national policies and strategies and is linked to identifiable outcomes</p> <p>Less regressive tax regime and improved collections</p>	<p>Improve the extent, nature, and quality of transport and basic social services provided to outer islands</p> <p>Develop an effective health education program to reduce incidence of lifestyle diseases</p> <p>Increase employability and entrepreneurship</p> <p>Improve quality of primary education in outer islands</p> <p>Provide safe water and improved sanitation</p>	<p>Improve services available in outer islands and to isolated communities</p> <p>Increase percentage of workforce in paid employment</p> <p>Create enabling environment for private sector and encourage involvement in transport services</p> <p>Reduce Government subsidies to state-owned enterprises (SOEs)</p> <p>Reform land tenure system to allow private use and transfer</p>

**COUNTRY AND PORTFOLIO INDICATORS
AND ASSISTANCE PIPELINE**

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

Goals and Targets	1990	1995	Latest Year
Goal 1. Eradicate Extreme Poverty and Hunger			
<u>Target 1:</u> Reduce incidence of extreme poverty by half from 1990 to 2015.			
People living on below US\$1-a-day, 1985 PPP (%)	–	–	–
Population in poverty (% of population falling below the poverty line)	–	–	–
Target 2: Reduce the proportion of people who suffer from hunger by half from 1990 to 2015.			
Prevalence of child malnutrition (% of children under age 5)	–	–	17.0 (1997)
Goal 2. Achieve Universal Primary Education			
<u>Target 3:</u> Attain 100% primary school enrolment by 2015.			
Net primary enrollment ratio (% of relevant age group)	–	95.0 (1994)	–
Goal 3. Promote Gender Equality and Empower Women			
<u>Target 4:</u> Eliminate gender disparities in primary and secondary education by 2005 and to all levels of education no later than 2015.			
Ratio of girls to boys in primary and secondary education (%)	–	–	96.4 (2000/01)
Goal 4. Reduce Child Mortality			
<u>Target 5:</u> Reduce infant and child mortality by two-thirds from 1990 to 2015.			
Infant mortality rate (per '000 live births)	–	63.0 (1995-97) ^a	26.0 (1999)
Under-5 mortality rate (per '000 live births)	–	92.0 (1995-97) ^a	31.0 (1998)
Goal 5. Improve Maternal Health			
<u>Target 6:</u> Reduce maternal mortality rate by three-quarters between 1990 and 2015.			
Maternal mortality rate (per 100,000 live births)	–	0.0 (1996)	0.0 (1998)
Births attended by skilled health staff (% of live births)	–	–	94.8 (1998)

Goals and Targets	1990	1995	Latest Year
Goal 5. Combat HIV/AIDS, Malaria, and Other Diseases			
<u>Target 7: Have halted by 2015, and begun to reverse, the spread of HIV/AIDS.</u>			
HIV prevalence rate (% age 15-49 years old)	—	—	—
Contraceptive prevalence rate (% of women aged 15-49)	—	26.0 (1994)	26.0 (1995-2000) ^a
<u>Target 8: Have halted by 2015, and begun to reverse, the incidence of malaria and other major diseases.</u>			
Prevalence of malaria (per 100,000 people)	—	—	0.0 (1999)
Prevalence of tuberculosis (per 100,000 people)	—	—	82.6 (1999)
Goal 6. Ensure Environmental Sustainability			
<u>Target 9: Integrate the principles of sustainable development into country policies and programs and reverse the loss of environmental resources.</u>			
Status of national environmental action plans	—	—	No data
Forest area (% of total land area)	—	—	—
Nationally protected areas (% of total land area)	—	—	—
GDP per unit of energy use (PPP \$ per kg oil equivalent)	—	—	—
Carbon dioxide emissions (per capita metric tons)	—	—	—
<u>Target 10: Halve, by 2015, the proportion of people without sustainable access to safe drinking water.</u>			
Access to safe water (% of population)	—	82.0 (1995-97) ^a	90.1 (1999)
<u>Target 11: By 2010, to have achieved a significant improvement in the lives of at least 100 million slum dwellers.</u>			
Access to sanitation (% of population)	—	77.0 (1995-97) ^a	81.3 (1999) (total) 92.0 (urban) 45.0 (rural)

— = not available, AIDS = /acquired immunodeficiency syndrome, HIV = human immunodeficiency virus, PPP = purchasing power parity.

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

Sources: ADB. 2002. *Basic Statistics: Developing Member Countries, including Millennium Development Goals*. Manila; ADB. 2002. *Medium-Term Strategy (2001-2005)*, Manila; ADB. 2002. *Key Indicators 2001*. Manila; Office of Planning and Statistics. 2001. *Social Statistics Bulletin*. RMI; Ministry of Education. 2001. *A Digest of Marshall Islands Education Data*. Majuro; UNDP. 1994, 1999. *Pacific Human Development Report*. Suva; WHO. 2001. *Western Pacific Region Health Data Bank*. Geneva.

Table A2.2: Economic Indicators

Item	1996	1997	1998	1999	2000	2001 ^a
A. Income and Growth						
1. GDP per Capita (dollars, current)	1,988	1,863	1,907	1,914	1,918	1,917
2. GDP Growth (% , in constant prices)	-16.6	-10.1	0.8	-0.2	0.7	0.6
Agriculture	-21.9	-9.0	-13.9	1.7	3.7	-
Industry	-36.6	-4.6	28.3	1.3	3.7	-
Services	-10.2	-10.1	0.2	-0.5	-0.8	-
B. Saving and Investment (current market prices)						
1. Gross Domestic Investment	-	-	-	-	-	-
2. Gross Domestic Saving	-	-	-	-	-	-
C. Money and Inflation						
1. Consumer Prices (annual average)	9.6	4.8	2.2	1.7	-1.9	2.0
2. Broad Money (M2)	-	-	-	-	-	-
D. Government Finance						
1. Total Revenue and Grants	80.5	74.6	74.7	67.3	74.7	83.7
2. Total Expenditure and Net Lending	61.9	65.5	59.2	56.8	65.8	66.1
3. Overall Surplus/Deficit (-)	18.5	9.1	15.5	10.5	8.9	17.5
E. Balance of Payments						
1. Merchandise Trade Balance (% of GDP)	-43.1	-44.9	-52.0	-53.8	-51.5	-52.1
2. Current Account Balance (% of GDP)	20.6	21.7	-1.5	-5.5	7.4	14.3
3. Export (\$) growth (annual percent change)	-12.2	-29.0	-47.2	-4.0	9.7	5.1
4. Import (\$) growth (annual percent change)	-0.9	-10.0	2.9	4.2	-1.3	2.9
F. External Payments Indicators						
1. Intl Reserves (billion dollars, end of period)	-	-	-	-	-	-
- months of imports	-	-	-	-	-	-
2. External Debt Service (% of exports of goods & services)	58.8	66.0	78.2	151.3	50.1	...
3. External Debt (% of GDP)	136.9	117.3	101.4	72.0	59.2	45.4
G. Memorandum Items:						
GDP (current prices, US\$ million)	97.0	92.2	95.7	97.3	98.9	100.2
Exchange Rate	1.0	1.0	1.0	1.0	1.0	1.0
Population (million)	0.04881	0.04948	0.05016	0.05084	0.05155	0.05227

- = not available; GDP = gross domestic product.

^a Estimate.

Sources: ADB. 2001. *Meto 2000: Economic Report and Statement of Development Strategies*. Manila; IMF. 2001. *Article IV Consultation Discussions with the Republic of the Marshall Islands: Concluding Statement*. Washington D.C.

Table A2.3: Poverty and Social Indicators

Item	1988	1994	Latest Year
1. Basic Human Development Indicators			
Total Population ('000)	43.1	47.2	51.6 (2000)
Annual Population Growth Rate (% change)	2.9	1.5	1.6
Life Expectancy at Birth (years)	62.0	61.1	67.5 (1999)
Male	61.0	–	65.7 (1999)
Female	63.0	–	69.4 (1999)
Adult Literacy Rate (%) ^a	90.7	91.0	98.3 (1999)
Male	91.4	91.0	98.3 (1999)
Female	89.9	90.0	98.4 (1999)
Combined Gross School Enrollment Ratio	–	–	72.0 (1998)
Male	–	–	72.0 (1998)
Female	–	–	72.0 (1998)
2. Health			
Total Fertility Rate (births per woman)	7.2	5.7	5.7 (1999)
Population with Access to Health Services (%)	...	95.0	100.0 (2000)
Population per Doctor	3709.0 (1980)	3294.0 (1995)	2150.0 (2000)
Government Expenditure on Health			
As % of Total Government Spending	–	–	11.0 (1999)
As % of Gross National Product	–	10.0	4.0 ^b (1999)
3. Education			
Student-Teacher Ratio	–	–	
Primary	–	–	17.2 (2000/01)
Secondary	–	–	17.7 (2000/01)
Gross Primary Enrollment (% of aged 5-14 years)	–	–	109.9 (1998/99)
Male	–	–	78.0 (1998)
Female	–	–	79.0 (1998)
Gross Secondary Enrollment (% of aged 15-19 years)	–	53.0	40.7 (1998/99)
Male	–	–	51.0 (1998)
Female	–	–	47.0 (1998)
Government Expenditure on Education			
As % of Total Government Spending	–	–	19.0 (1999)
As % of Gross Domestic Product	–	–	9.2 (1998)
4. Development Progress Indexes			
Human Development Index	–	0.611	0.563 (1998)
Pacific developing member country rank	–	4	8
Human Poverty Index	–	–	18.7 (1998)
Pacific developing member country rank	–	–	8
5. Poverty Indicators			
Composite Vulnerability Index	–	–	–
Pacific developing member country rank	–	–	–
Gini Coefficient	–	–	–
Average per Capita Household Income			
Highest Quintile	–	–	–
Lowest Quintile	–	–	–
Income Ratio (Highest Quintile/Lowest Quintile)	–	–	–

^a Literacy in the 1988 census is defined as attainment of at least Grade 4 education; while in the 1999 census, it refers to the ability to read and write a simple message in any language.

^b As % of GDP.

Sources: ADB. 2001. *RETA 5907 Discussion Papers*. Manila; ADB. 2001. *Key Indicators 2001*. Manila; ADB. 2001. *Meto 2000*. Manila; Office of Planning and Statistics. 2001. *Social Statistics Bulletin*. Majuro; Ministry of Education. 2001. *A Digest of Marshall Islands Education Data*. Majuro; UNDP. 1994, 1999. *Pacific Human Development Report*. Suva; WHO. 2001. *Western Pacific Region Health Data Bank*. Geneva.

Table A2.4: Environment Indicators

Item	1990	Latest Year
1. Energy Efficiency of Emissions		
Traditional Fuel Use (% of total energy use)	–	–
2. Water Pollution		
Water Bodies Exceeding Contact Recreation Standards		
Biological Oxygen Demand	–	–
Chemical Oxygen Demand	–	–
3. Air Pollution		
Carbon Dioxide Emissions		
Total (millions of metric tons)	–	–
Sulphur Dioxide Emissions		
Per capita (kilograms)	–	–
4. Land Use and Deforestation		
Total Land Area (km ²)	181.3	181.3 (1999)
Average Annual Deforestation		
Area	–	–
% change	–	–
Arable Land (% of total land)	0.0 (1993)	–
Cropland, Permanent (% of total land)	60.0 (1993)	–
Pastures, Permanent (% of total land)	0.0 (1993)	–
Population Density, Rural (people per km ²)	–	–
5. Biodiversity and Protected Areas		
Nationally Protected Area(s)		
Area (km ²)	–	11.3 (1998)
Number	–	1 (1998)
World Heritage Sites (number)	–	–
Mammal Species		
Total Known	–	–
Threatened	–	–
Bird Species		
Total Known	–	–
Threatened	–	–
6. Urban Areas		
Urban Population		
% of total population	65.0 (1988)	70.7 (1998)

– = no data available, km² = square kilometer.

Source: CIA. 2001. *The World Factbook-Marshall Islands*. Available: <http://www.odci.gov/01fact/fb01toc/fb01toc.html>; SOPAC. 1999. *Marshall Country Profile*. Suva; SPC. 1997. *Pacific Island Populations Data Sheet*. Suva; SPREP. *Action Strategy for Nature Conservation in the Pacific Islands Region*. Apia; World Bank. 2000. *The Little Green Data Book*. Washington D.C.

Table A2.5: Development Coordination Matrix

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
A. Economic and Public Sector Reform	<p>Ongoing</p> <ul style="list-style-type: none"> • Loan 1828/1829 (SF): Fiscal and Financial Management Program • TA 3668-RMI: Fiscal, Financial, and Economy Advisory Services <p>Programmed</p> <ul style="list-style-type: none"> • Implementing Medium-Term Budget Framework and Improving Effective Delivery of Public Services (2003) • Strategic Advisory Team (2004) 	<ul style="list-style-type: none"> • Budget Support (Taipei,China) • Auditing and Accounting Training, Capital Maintenance Planning, Ministry of Finance Intern Program (USDOI)
B. Private Sector Development	<p>Programmed</p> <ul style="list-style-type: none"> • Enhancing Environment for Private Sector Development (2002) • Support for Private Sector Unit II (2004) • Support for Tourism II (2005) 	<ul style="list-style-type: none"> • Small Business Development (US)
C. Education	<p>Ongoing</p> <ul style="list-style-type: none"> • Loan 1791: Skills Training and Vocational Education <p>Programmed</p> <ul style="list-style-type: none"> • Outer Island Basic Social Services Project 	<ul style="list-style-type: none"> • Small Grants for Education, Education Statistics, Textbooks and Computers, College Scholarships (AusAID) • Library Improvements, Elementary Schools Solar Dome Pilot Project (Canada) • Likiep Atoll School Expansion (Japan) • School Maintenance and Facility Improvements in the Outer Islands (Taipei,China) • Workforce Investment Grant, Vocational Education Grants, Special Education Grant, Headstart Programs, Adult/Continuing Education, Bilingual Education Grant, Schoolbuses on Majuro and Ebeye (US)
D. Health	<p>Ongoing</p> <ul style="list-style-type: none"> • Loan 1694: Ebeye Health and Infrastructure • TA 2164-RMI: Health Management Information System and Health Planning <p>Programmed</p> <ul style="list-style-type: none"> • Outer Island Basic Services Project 	<ul style="list-style-type: none"> • Youth to Youth in Health (AusAID) • FAO Telefood Program (UN) • Special Supplement Health Programs (US)

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
E. Gender/Youth	Ongoing <ul style="list-style-type: none"> Loan 1791: Skills Training and Vocational Education 	<ul style="list-style-type: none"> Youth to Youth in Health (AusAID)
F. Infrastructure <ol style="list-style-type: none"> Transport and Communication Energy Water Supply and Sanitation Urban Infrastructure 	Ongoing <ul style="list-style-type: none"> TA 3506-RMI: Preparing the Outer Island Transport Infrastructure TA 5990-REG: ICT Assessment in the Pacific Programmed <ul style="list-style-type: none"> Outer Island Transport Infrastructure Project (2002) Ongoing <p>Loan 1694-RMI: Ebeye Health and Infrastructure</p>	<ul style="list-style-type: none"> <i>Waan Elon Kein</i> (Canoes of these Islands) [AusAID] Eijit Island Dock (Japan) Outer Island Transportation Infrastructure, Majuro Airport Hangar (Taipei,China) Fiberglass Boat/Canoe Program (US) Solar Tubes for Outer Island Schools (Canada) Solar Project – Namdrik Atoll and Mejit Island (EU) Solar Electrification Project (France) Wotje Island Power Plant Community Center on Outer Island (Canada) Mili Atoll Community Center, Majuro Atoll Road Paving (Japan) Secondary Road Paving, Renovation and Construction of Government Buildings, Equipment Upgrade of Tobolar Copra Processing Plant (Taipei,China) Ebeye Infrastructure Grant, Rural Housing Grants/Loans (US)
G. Environment	None	<ul style="list-style-type: none"> Water Catchments for 2 Outer Island Atolls (Australia) Disaster Preparedness Grant (US)

Sector/Thematic/Area	ADB Strategy/Activities	Other Development Partners' Strategy/Activities
H. Agriculture, Forestry, and Fisheries	<p>Ongoing</p> <ul style="list-style-type: none"> TA 3522-RMI: Community-Based Coastal Marine Resources Development 	<ul style="list-style-type: none"> Agriculture Training; Agriculture Projects in Jaluit, Majuro and Wotje Atolls (Taipei,China) Animal Husbandry, Support of Agriculture Activities in the Outer Islands (UN-FAO) Agriculture Research Grant, Outer Island Agriculture Training (US)
I. Others		<ul style="list-style-type: none"> Immigration System Improvements (AusAID) Outer Island Development Fund (Taipei,China)

AusAID = Australian Aid for International Development, FAO = Food and Agriculture Organization, ICT = information and communication technology, RMI = Republic of the Marshall Islands, UN = United Nations, US = United States, USDOl = US Department of Interior.

Table A2.6: Portfolio Indicators – Amounts and Ratings, Disbursements, and Net Transfers of Resources
(as of 31 December 2001)

A. Loan Portfolio	Net Loan Amount		Total		Common Rating for IP and DO ^a											
	\$ million	%	No.	%	HS		S		PS		U		PP		At Risk	
					No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Agriculture and Natural Resources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Energy	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Finance	11.9	29.0	2	33.3	-	-	2	100.0	-	-	-	-	-	-	-	-
Industry and Nonfuel Minerals	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Social Infrastructure	20.2	49.3	3	50.0	-	-	1	33.3	2	66.7	-	-	-	-	2	66.7
Transport and Communications	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others/Multisector	8.9	21.7	1	16.7	-	-	1	100.0	-	-	-	-	-	-	-	-
Total	35.4	100.0	5	100.0	-	-	4	66.7	2	33.3	-	-	-	-	2	33.3

B. Disbursements	OCR	ADF	Total
(1) Total funds available for withdrawal (\$ million, active loans only) ^b	4.0	44.9	48.9
(2) Disbursed amount (\$ million, cumulative, active loans only) ^b	2.0	30.1	32.1
(3) Percentage disbursed [(2)/(1)] (%) ^b	51.0	67.1	65.7
(4) Disbursements (\$ million, active loans only, latest year) ^b	2.0	6.3	8.3
(5) Disbursement ratio (%) ^c	51.0	29.2	32.6

C. Net Transfer of Resources (\$ million)	OCR	ADF	Total
Net transfer in 1997	0.0	10.0	10.0
Net transfer in 1998	0.0	7.8	7.8
Net transfer in 1999	0.0	3.6	3.6
Net transfer in 2000	0.0	9.5	9.5
Net transfer in 2001	2.0	5.9	7.9

- = zero, ADF = Asian Development Fund, DO = development objective, HS = highly satisfactory, IP = implementation progress, OCR = ordinary capital resources, P = partly satisfactory, S = satisfactory, U = unsatisfactory.

^a The lower rating is counted.

^b Includes loans closed during the year with disbursements (including negative disbursements).

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

Source: Asian Development Bank staff estimates.

Table A2.7: Portfolio Status – Implementation Status
(as of 31 December 2002)^a

No.	Sector ^b	Loan No.	Loan Title	Net Loan Amount (US\$ million)	Approval Date	Effectivity Date	Closing Date	Project Progress (% completed)	Cum. Contract Awards/ Commitment	Cum. Disbursement	Performance Ratings	Potential Problem ^b	At Risk ^c	
				ADF	OCR	Orig.	Rev.						Impl. Prog.	Devt Obj.
1	FIN	1828	Fiscal and Financial Management Program	0.0	4.0	7 Jan 2001	3 July 2001	30 Nov 2004	–	2.0	2.0	No	No	
2	FIN	1829	Fiscal and Financial Management Program	7.9	0.0	7 Jan 2001	3 July 2001	30 Nov 2004	–	2.3	2.3	No	No	
3	OTH	1694	Ebeye Health and Infrastructure Project	8.9	0.0	12 Aug 1999	15 Dec 1999	30 Jun 2002	–	6.6	7.1	No	No	
4	SOC	1316	Health and Population Project	5.3	0.0	22 Sep 1994	14 Mar 1995	31 May 2000	93%	4.8	4.6	Yes	Yes	
5	SOC	1389	Majuro Water Supply and Sanitation Project	8.3	0.0	29 Sep 1995	30 Sep 1996	30 Sep 2000	90%	7.9	8.0	Yes	Yes	
6	SOC	1791	Skills Training and Vocational Education Project	6.6	0.0	29 Nov 2000	29 Jan 2001	30 June 2005	–	0.3	0.4	No	No	

AGR = agriculture and natural resources, ENE = energy, HS = highly satisfactory, IND = industry and nonfuel/minerals, OTH = others, PS = partly satisfactory, S= satisfactory, SOC = social infrastructure, T&C = transport and communications, U = unsatisfactory.

^a Includes ongoing loans only.

^b "Yes" for those with 4 or more potential problem flags.

^c At risk (1 loan-100%) = 1 PS (100%) + 0 U + 0 PP. If overall rating for implementation progress or development objectives is PS or U, the loan is automatically at risk, and flags are not counted in determining PP but will be flagged to indicate the problem's areas.

Source: Asian Development Bank staff estimates.

Table A2.8: Lending Scenarios and Performance Triggers

Low Case (\$8.0 million)	Base Case (\$11.5 million)	High Case (\$14.0 million)
<p>Macroeconomic</p> <ul style="list-style-type: none"> • MTBF revenue and expenditure targets are not met • Budget deficits greater than 5% of GDP <p>Reforms</p> <ul style="list-style-type: none"> • Contributions to trust fund lower than agreed upon and no improvements in Compact fund management process • Increased Government involvement in SOEs and higher subsidies <p>Sector-Specific</p> <ul style="list-style-type: none"> • No pro-poor policy development, no HIES undertaken <p>Portfolio</p> <ul style="list-style-type: none"> • Major issues with portfolio implementation and more than 20% of loans at risk 	<p>Macroeconomic</p> <ul style="list-style-type: none"> • Budget deficits maintained at less than 5% of GDP • MTBF revenue and expenditure targets are met <p>Reforms</p> <ul style="list-style-type: none"> • Contributions to trust fund in accordance with agreed-upon policy condition and Compact fund management improved • No increase in private sector participation in public service delivery but SOE subsidies contained <p>Sector-Specific</p> <ul style="list-style-type: none"> • Pro-poor policy development but without full HIES analysis • Share of education and health budget as a percentage of total recurrent budget maintained <p>Portfolio</p> <ul style="list-style-type: none"> • Portfolio implementation on schedule with less than 20% of loans at risk • Smooth program loan implementation and tranche release on schedule 	<p>Macroeconomic</p> <ul style="list-style-type: none"> • MTBF revenue and expenditure targets are exceeded • Fiscal discipline maintained balanced budget achieved <p>Reforms</p> <ul style="list-style-type: none"> • Contributions to trust fund higher than agreed upon and efficient utilization of Compact resources achieved • Increase in private sector participation in public service delivery and transformation of at least one SOE <p>Sector-Specific</p> <ul style="list-style-type: none"> • Pro-poor policy development and program implementation using HIES-based poverty assessment • Share of education and health budget as a percentage of total recurrent budget increased <p>Portfolio</p> <ul style="list-style-type: none"> • Implementation ahead of schedule with no loans at risk • No problems with program loan implementation; tranche release ahead of schedule

GDP = gross domestic product, HIES = household income and expenditure survey, MTBF = medium-term budget framework, SOE = state-owned enterprises.

Table A2.9: Assistance Pipeline for Lending Products, 2002–2005

Sector Project/Program Name	Poverty Classification	Thematic Priority	Division	Year of PPTA	Total	Cost (\$million)			
						ADB		Govt	Cofinancing
						OCR	ADF		
2002 Firm Loans									
Others									
Outer Island Transport Infrastructure	PI	PSD	PAHQ	2000	10.0	7.0	7.0	3.0	0.0
Total					10.0	7.0	7.0	3.0	0.0
2003 Firm Loans									
None									
2004 Firm Loans									
Others									
Outer Island Basic Social Services		HD	PAHQ	2002	8.5	6.0	6.0	2.5	0.0
Total					8.5	6.0	6.0	2.5	0.0
2005 Firm Loans									
None									

ADB = Asian Development Bank, ADF = Asian Development Fund, HD = human development, OCR = ordinary capital resources, PI = poverty intervention, PSD = private sector development, PPTA = project preparatory technical assistance.
Source: Asian Development Bank staff estimates.

Appendix A2.10: Assistance Pipeline for Nonlending Products and Services, 2002-2005

Sector Assistance Name	Responsible Division	Assistance Type	Sources of Funding			Total (\$'000)
			Source	ADB Amount (\$'000)	Source Amount	
2002						
Transport						
1. Institutional Support for Outer Island Transport	PAHQ	AD	TASF	250.0	0.0	250.0
Private Sector						
2. Enhancing Environment for Private Sector Development	PAHQ	AD	JSF	350.0	0.0	350.0
Subtotal				600.0	0.0	600.0
2003						
Others						
1. Outer Island Basic Social Services	PAHQ	PP	TASF	400.0	0.0	400.0
Finance						
2. Implementing Medium-Term Budget Framework and Improving Effective Delivery of Public Services	PAHQ	AD	JSF	300.0	0.0	300.0
Subtotal				700.0	0.0	700.0
Standby						
3. Support for the Private Sector Unit II	PAHQ	AD	TASF	250.0	0.0	250.0
2004						
Finance						
1. Strategic Advisory Team	PAHQ	AD	TASF	400.0	0.0	400.0
Private Sector						
2. Support for the Private Sector Unit II	PAHQ	AD	TASF	250.0	0.0	250.0
Subtotal				650.0	0.0	650.0
Standby						
3. Improving Economic Management and Preparation of Economic Report	PAHQ	AD	JSF	250.0	0.0	250.0

Sector Assistance Name	Responsible Division	Assistance Type	Sources of Funding			Total (\$'000)
			ADB		Others	
			Source	Amount (\$'000)		
2005						
Others						
1. Improving Economic Management and Preparation of an Economic Report	PAHQ	AD	JSF	250.0	0.0	250.0
2. Support for Tourism II	PAHQ	AD	TASF	250.0	0.0	250.0
Subtotal				500.0	0.0	500.0

AD = advisory, ADB = Asian Development Bank, JSF = Japan Special Fund, PAHQ = Pacific Operations Division, PP = project preparatory, TASF = Technical Assistance Special Fund.

Source: Asian Development Bank staff estimates.

CONCEPT PAPERS FOR LENDING PRODUCTS

Table A3.1: Outer Island Transport Infrastructure

<p>1. Type/modality of assistance</p> <p><input checked="" type="checkbox"/> Lending</p> <p style="margin-left: 20px;"><input checked="" type="checkbox"/> Project loan</p> <p style="margin-left: 20px;"><input type="checkbox"/> Program loan</p> <p style="margin-left: 20px;"><input type="checkbox"/> Sector loan</p> <p style="margin-left: 20px;"><input type="checkbox"/> Sector development program loan</p> <p style="margin-left: 20px;"><input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Nonlending</p> <p style="margin-left: 20px;"><input type="checkbox"/> Project preparatory</p> <p style="margin-left: 20px;"><input type="checkbox"/> Other than project preparatory</p> <p style="margin-left: 20px;"><input type="checkbox"/> Economic, thematic, and sector work</p> <p style="margin-left: 20px;"><input type="checkbox"/> Institutional development</p> <p style="margin-left: 20px;"><input type="checkbox"/> Other</p> <p style="margin-left: 20px;"><input type="checkbox"/> Activities financed by JFICT or JFPR</p>		
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Transport and Communications Subsector: Ports and Shipping</p> <p>b. For project preparatory and lending, classification</p> <p style="margin-left: 20px;"><input type="checkbox"/> Core poverty intervention</p> <p style="margin-left: 20px;"><input checked="" type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s)</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> <p style="margin-left: 20px;"><input checked="" type="checkbox"/> Economic growth</p> <p style="margin-left: 20px;"><input type="checkbox"/> Gender and development</p> <p style="margin-left: 20px;"><input type="checkbox"/> Environmental protection</p> <p style="margin-left: 20px;"><input type="checkbox"/> Regional cooperation</p> <p style="margin-left: 20px;"><input type="checkbox"/> Other:</p> </td> <td style="width: 50%; vertical-align: top;"> <p style="margin-left: 20px;"><input type="checkbox"/> Human development</p> <p style="margin-left: 20px;"><input type="checkbox"/> Good governance</p> <p style="margin-left: 20px;"><input type="checkbox"/> Private sector development</p> <p style="margin-left: 20px;"><input type="checkbox"/> Social protection</p> </td> </tr> </table>	<p style="margin-left: 20px;"><input checked="" type="checkbox"/> Economic growth</p> <p style="margin-left: 20px;"><input type="checkbox"/> Gender and development</p> <p style="margin-left: 20px;"><input type="checkbox"/> Environmental protection</p> <p style="margin-left: 20px;"><input type="checkbox"/> Regional cooperation</p> <p style="margin-left: 20px;"><input type="checkbox"/> Other:</p>	<p style="margin-left: 20px;"><input type="checkbox"/> Human development</p> <p style="margin-left: 20px;"><input type="checkbox"/> Good governance</p> <p style="margin-left: 20px;"><input type="checkbox"/> Private sector development</p> <p style="margin-left: 20px;"><input type="checkbox"/> Social protection</p>
<p style="margin-left: 20px;"><input checked="" type="checkbox"/> Economic growth</p> <p style="margin-left: 20px;"><input type="checkbox"/> Gender and development</p> <p style="margin-left: 20px;"><input type="checkbox"/> Environmental protection</p> <p style="margin-left: 20px;"><input type="checkbox"/> Regional cooperation</p> <p style="margin-left: 20px;"><input type="checkbox"/> Other:</p>	<p style="margin-left: 20px;"><input type="checkbox"/> Human development</p> <p style="margin-left: 20px;"><input type="checkbox"/> Good governance</p> <p style="margin-left: 20px;"><input type="checkbox"/> Private sector development</p> <p style="margin-left: 20px;"><input type="checkbox"/> Social protection</p>	
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>		
<p>4. Responsible division/department: PAHQ/PARD</p>		
<p>5. Responsible ADB officer(s): Luigi Bodda</p>		
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: In 1993, ADB approved TA for Outer Islands Transport Infrastructure, which resulted in recommendations for improvements to the marine, road, and air transport infrastructure (primarily for main port and airport works).</p> <p>b. Goal and purpose: The project will reduce poverty in the outer islands by directly increasing incomes as a result of more frequent and reliable shipping services. Economic growth will be fostered by increased opportunities, which the more reliable shipping services will provide to sell produce and handicrafts from the outer islands to the main centers of Majuro and Ebeye.</p> <p>c. Components and outputs: The project includes (i) outer island port infrastructure comprising docks, jetties, and beach channels; (ii) navigation aids comprising lit beacons, buoys, and land lights; (iii) improvements to tracks for copra and other good movement; (iv) storage warehouses for copra concentration and other cargo; and (v) airstrip extensions and remedial maintenance. Complementary nonlending assistance will strengthen the institutional capacity to manage private sector franchises for shipping services, supplemented with Government vessels operating under equalized competitive conditions.</p>		

d. Expected results and deliverables: The project will reduce costs and improve the reliability and efficiency of transport services to the outer atolls and islands through construction of navigation aids, small wharves and jetties, airstrip extensions, warehouses, and track improvements.

e. Social or environmental issues or concerns: Outer island populations have relatively little cash income opportunities, are vulnerable to natural disasters, and are disadvantaged due to their isolation. The project will assist in both reducing this isolation and improving transportation, one of the necessary conditions for increased economic participation.

f. Plans for disseminating results/deliverables: The project will be implemented involving the main stakeholders. The main results will be disseminated through the PARD webpage.

7. Proposed executing/implementing agencies: Ministry of Transport and Communications

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

The Government has reconfirmed that the proposed loan to improve the outer island sea and air transport facilities has the highest priority, and the project is requested to be confirmed in the 2002 ADB assistance pipeline.

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSPU: 2000
- b. Expected date of submission for approval
 - Lending: October 2002
 - Nonlending (project preparatory):
 - Nonlending (other than project preparatory):
 - Activities financed by JFICT or JFPR:
- c. Period and duration of assistance
 - Lending: 4 years
 - Nonlending:
 - Activities financed by JFICT or JFPR:

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

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

If cofinancing is required indicate sources, and amount sought:

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

- b. For nonlending
 - No resources required, other than ADB staff
 - ADB's administrative budget
 - Grant TA funds
 - TA Special Fund:
 - Japan Special Fund
 - Other (specify, e.g., bilateral and multilateral trust funds)

If cofinancing is required indicate sources, and amount sought:

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

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

If cofinancing is required indicate sources, and amount sought:

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

ADB = Asian Development Bank, CSPU = country strategy and program update, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, SCSP = subregional cooperation strategy and program, TA = technical assistance.

Table A3.2: Outer Island Basic Social Services

<p>1. Type/modality of assistance</p> <p><input checked="" type="checkbox"/> Lending</p> <p><input checked="" type="checkbox"/> Project loan</p> <p><input type="checkbox"/> Program loan</p> <p><input type="checkbox"/> Sector loan</p> <p><input type="checkbox"/> Sector development program loan</p> <p><input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Nonlending</p> <p><input type="checkbox"/> Project preparatory</p> <p><input type="checkbox"/> Other than project preparatory</p> <p><input type="checkbox"/> Economic, thematic, and sector work</p> <p><input type="checkbox"/> Institutional development</p> <p><input type="checkbox"/> Other</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>										
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Others Subsector:</p> <p>b. For project preparatory and lending, classification</p> <p><input type="checkbox"/> Core poverty intervention</p> <p><input checked="" type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s)</p> <table border="0"> <tr> <td><input type="checkbox"/> Economic growth</td> <td><input checked="" type="checkbox"/> Human development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td><input type="checkbox"/> Good governance</td> </tr> <tr> <td><input type="checkbox"/> Environmental protection</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input type="checkbox"/> Social protection</td> </tr> <tr> <td><input type="checkbox"/> Other:</td> <td></td> </tr> </table>	<input type="checkbox"/> Economic growth	<input checked="" type="checkbox"/> Human development	<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance	<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection	<input type="checkbox"/> Other:	
<input type="checkbox"/> Economic growth	<input checked="" type="checkbox"/> Human development									
<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance									
<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development									
<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection									
<input type="checkbox"/> Other:										
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>										
<p>4. Responsible division/department: PAHQ/PARD</p>										
<p>5. Responsible ADB officer(s): Tilak Sen</p>										
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: A key country strategy is to support poverty reduction and the creation of new economic opportunities, and improve access to basic social services in the outer islands. Initial poverty assessment findings show that most disadvantaged people live in the outer islands and have poor access to basic social services.</p> <p>b. Goal and purpose: The project objective is to improve cost effectiveness and efficiency of the delivery of basic social services. Through improved delivery, adequate access to the outer island communities is provided, as well as environmental protection of water sources.</p> <p>c. Components and outputs: (i) Health and education-related infrastructure for improved quality of services, (ii) increased and improved delivery of basic education and primary health care, provision of safe water in schools and communities, and protection of scarce water resources.</p>										

d. Expected results and deliverables: Improved services, housing for teachers and health assistants, outreach programs for health and education, safe water/toilets in schools, and protection for water lens

e. Social or environmental issues or concerns: The loan will help to reduce disparities between the urban area (Majuro) and isolated outer island communities in a sustainable manner.

f. Plans for disseminating results/deliverables:

7. Proposed executing/implementing agencies: Ministry of Health and Environment

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

The Government, in its medium-term plan, will address the absence of essential social services in the outer island communities.

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSPU: 2002
- b. Expected date of submission for approval
 - Lending: October 2004
 - Nonlending (project preparatory):
 - Nonlending (other than project preparatory):
 - Activities financed by JFICT or JFPR:
- c. Period and duration of assistance
 - Lending: 4 years
 - Nonlending:
 - Activities financed by JFICT or JFPR:

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

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

If cofinancing is required indicate sources, and amount sought:

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

- b. For nonlending
 - No resources required, other than ADB staff
 - ADB's administrative budget
 - Grant TA funds
 - TA Special Fund: \$250,000
 - Japan Special Fund
 - Other (specify, e.g., bilateral and multilateral trust funds)

If cofinancing is required indicate sources, and amount sought:

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

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

If cofinancing is required indicate sources, and amount sought:

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

ADB = Asian Development Bank, CSPU = country strategy and program update, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, SCSP = subregional cooperation strategy and program, TA = technical assistance.

CONCEPT PAPERS FOR NONLENDING PRODUCTS AND SERVICES

Table A4.1: Institutional Support for Outer Island Transport Services

<p>1. Type/modality of assistance</p> <p><input type="checkbox"/> Lending</p> <p> <input type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input checked="" type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input checked="" type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>										
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Transport and Communications Subsector: Air Transport and Shipping</p> <p>b. For project preparatory and lending, classification</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s)</p> <table border="0"> <tr> <td><input type="checkbox"/> Economic growth</td> <td><input type="checkbox"/> Human development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td><input checked="" type="checkbox"/> Good governance</td> </tr> <tr> <td><input type="checkbox"/> Environmental protection</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input type="checkbox"/> Social protection</td> </tr> <tr> <td><input type="checkbox"/> Other:</td> <td></td> </tr> </table>	<input type="checkbox"/> Economic growth	<input type="checkbox"/> Human development	<input type="checkbox"/> Gender and development	<input checked="" type="checkbox"/> Good governance	<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection	<input type="checkbox"/> Other:	
<input type="checkbox"/> Economic growth	<input type="checkbox"/> Human development									
<input type="checkbox"/> Gender and development	<input checked="" type="checkbox"/> Good governance									
<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development									
<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection									
<input type="checkbox"/> Other:										
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>										
<p>4. Responsible division/department: PAHQ/PARD</p>										
<p>5. Responsible ADB officer(s): Luigi Bodda</p>										
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: In 1993, ADB approved TA for Outer Islands Transport Infrastructure, which resulted in recommendations for improvements to the marine, road, and air transport infrastructure (primarily for main port and airport works). The Government reconfirmed that the proposed Outer Island Transport Infrastructure Project to improve the outer island sea and air transport facilities has the highest priority.</p> <p>b. Goal and purpose: The TA will assist in the institutional strengthening within the Ministry of Transport and Communications (MOTC) and Air Marshall Islands (AMI).</p> <p>c. Components and outputs: The grant assistance will cover the following: (i) Government Shipping Service and Private Sector Shipping Contracts—further development of the management information systems, implementation of systems for operational monitoring of shipping contracts and shipping operation, long-term fleet management, baseline data preparation, and development of collection mechanisms; and (ii) AMI—assessment of</p>										

the market position and strategic outlook for the airline; review of management and staffing; and review and improvement of the airline's operational management, financial accounting, and commercial systems.

d. Expected results and deliverables: Reduction in government subsidy for state-owned enterprises (SOEs;) several SOEs privatized or brought to the point of sale.

e. Social or environmental issues or concerns:

f. Plans for disseminating results/deliverables:

7. Proposed executing/implementing agencies: Ministry of Transport and Communications, Air Marshall Islands

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

The Government has requested further TA for institutional strengthening within MOTC and AMI. The Government confirmed its commitment to the Action Plan for further processing of the Outer Island Transport Infrastructure Project.

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSPU: 2002
- b. Expected date of submission for approval
 - Lending:
 - Nonlending (project preparatory):
 - Nonlending (other than project preparatory): September 2002
 - Activities financed by JFICT or JFPR:
- c. Period and duration of assistance
 - Lending:
 - Nonlending: 2 years
 - Activities financed by JFICT or JFPR:

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

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

If cofinancing is required indicate sources, and amount sought:

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

- b. For nonlending
 - No resources required, other than ADB staff
 - ADB's administrative budget
 - Grant TA funds
 - TA Special Fund: \$250,000
 - Japan Special Fund
 - Other (specify, e.g., bilateral and multilateral trust funds)

If cofinancing is required indicate sources, and amount sought:

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

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

If cofinancing is required indicate sources, and amount sought:

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

ADB = Asian Development Bank, CSPU = country strategy and program update, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, SCSP = subregional cooperation strategy and program. TA = technical assistance.

Table A4.2: Enhancing the Environment for Private Sector Development

<p>1. Type/modality of assistance</p> <p><input type="checkbox"/> Lending</p> <p><input type="checkbox"/> Project loan</p> <p><input type="checkbox"/> Program loan</p> <p><input type="checkbox"/> Sector loan</p> <p><input type="checkbox"/> Sector development program loan</p> <p><input type="checkbox"/> Other:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p><input type="checkbox"/> Project preparatory</p> <p><input type="checkbox"/> Other than project preparatory</p> <p><input type="checkbox"/> Economic, thematic, and sector work</p> <p><input checked="" type="checkbox"/> Institutional development</p> <p><input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>										
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Economic Subsector: Private Sector</p> <p>b. For project preparatory and lending, classification</p> <p><input type="checkbox"/> Core poverty intervention</p> <p><input type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s)</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Economic growth</td> <td><input type="checkbox"/> Human development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td><input type="checkbox"/> Good governance</td> </tr> <tr> <td><input type="checkbox"/> Environmental protection</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input type="checkbox"/> Social protection</td> </tr> <tr> <td><input checked="" type="checkbox"/> Other: Poverty Reduction</td> <td></td> </tr> </table>	<input checked="" type="checkbox"/> Economic growth	<input type="checkbox"/> Human development	<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance	<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection	<input checked="" type="checkbox"/> Other: Poverty Reduction	
<input checked="" type="checkbox"/> Economic growth	<input type="checkbox"/> Human development									
<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance									
<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development									
<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection									
<input checked="" type="checkbox"/> Other: Poverty Reduction										
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>										
<p>4. Responsible division/department: PAHQ/PARD</p>										
<p>5. Responsible ADB officer(s): Tilak Sen</p>										
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: Private sector development is one of the three pillars of ADB's strategy for the country. Access to land for development and its use as collateral for loans has been identified as a key constraint to the development of the private sector. With the recent approval of new land legislation and the establishment of a Land Registration Authority, implementation support is required. Improved access to land for development and as collateral for loans, together with a more competitive wage environment, should lead to an increase in private sector investment. The Marshall Islands Development Bank (MIDB) can play an important role in providing access to credit for small and medium businesses and for investigating more innovative financing modalities for private enterprises.</p> <p>b. Goal and purpose: The project's goal is to create additional investment in private sector enterprises leading to an increase in employment opportunities for Marshall Islanders and a higher rate of economic growth in the country.</p> <p>The purpose of the project is to contribute to the creation of an enabling environment conducive to increased private sector investment and employment creation.</p>										

<p>c. Components and outputs: The components and outputs of the project are</p> <ul style="list-style-type: none"> (i) To improve land availability and its utilization for development purposes through assisting in: <ul style="list-style-type: none"> (a) the implementation of the new land legislation and the newly established Land Registration Authority, (b) the development of operational and implementation guidelines, (c) establishing a land registration and land management database, (d) establishing systems for land titling and cadastral surveys, and (e) creating public awareness of the new land legislation and authority and its operational modalities. (ii) To improve the management and financing modalities of MIDB through assisting in: <ul style="list-style-type: none"> (a) capacity building and providing advisory support for MIDB management; (b) strengthening internal processes for loan identification, appraisal, disbursement, and monitoring; (c) strengthening linkages between MIDB and potential borrowers through public awareness programs; and (d) identifying options for restructuring MIDB, including conversion from direct lending to a collateral enhancing institution or leasing corporation with some private sector involvement. <p>d. Expected results and deliverables: The successful implementation of the project will result in more land being available for development purposes and for more land being used as collateral for loans to small and medium enterprises (SMEs). The management of MIDB will be strengthened to provide additional lending to SMEs. Innovative financing modalities for SMEs will be investigated and where deemed appropriate will be offered through a restructured MIDB. Deliverables will include:</p> <ul style="list-style-type: none"> (i) Land Development Authority operational guidelines; (ii) land registration and management database; (iii) systems identified for land titling and cadastral surveys; (iv) MIDB internal processes loan identification, appraisal, disbursement, and monitoring revised and clearly documented; (v) options for restructuring MIDB and for introducing innovative financing modalities investigated and recommendations to the MIDB Board for approval and implementation; and (vi) public awareness programs developed and implemented to support project activities. <p>e. Social or environmental issues or concerns: Environmental impact assessments will be undertaken where required.</p> <p>f. Plans for disseminating results/deliverables: Public awareness programs will be conducted as part of the project activities.</p>
<p>7. Proposed executing/implementing agencies: Land Development Authority and MIDB</p>
<p>8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: Extensive discussions were held with responsible Government agencies to identify project scope and outputs. Agencies consulted included MIDB, Attorney General's Office, and Ministry of Finance.</p> <p>(Note: Mention the institutions in government and civil society, including nongovernmental organizations that have been consulted about the project, and the nature of the consultations.)</p>
<p>9. Timetable for assistance design, processing, and implementation</p> <ul style="list-style-type: none"> a. Year included in CSPU: 2002 b. Expected date of submission for approval <ul style="list-style-type: none"> Lending: Nonlending (project preparatory): Nonlending (other than project preparatory): September 2002 Activities financed by JFICT or JFPR: c. Period and duration of assistance: <ul style="list-style-type: none"> Lending: Nonlending: 2 years Activities financed by JFICT or JFPR:
<p>10. Financing Plan (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)</p>

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

If cofinancing is required indicate sources, and amount sought:

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

- b. For nonlending
- No resources required, other than ADB staff
 - ADB's administrative budget:
 - Grant TA funds
 - TA Special Fund: \$350,000
 - Japan Special Fund:
 - Other (specify, e.g., bilateral and multilateral trust funds):

If cofinancing is required indicate sources, and amount sought:

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

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

If cofinancing is required indicate sources, and amount sought:

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

ADB = Asian Development Bank, CSPU = country strategy and program update, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, SCSP = subregional cooperation strategy and program, TA = technical assistance.

Table A4.3: Outer Island Basic Social Services

<p>1. Type/modality of assistance</p> <p><input type="checkbox"/> Lending</p> <p> <input type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input checked="" type="checkbox"/> Project preparatory</p> <p> <input type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>										
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Others Subsector:</p> <p>b. For project preparatory and lending, classification</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input checked="" type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s)</p> <table border="0"> <tr> <td><input type="checkbox"/> Economic growth</td> <td><input checked="" type="checkbox"/> Human development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td><input type="checkbox"/> Good governance</td> </tr> <tr> <td><input type="checkbox"/> Environmental protection</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input type="checkbox"/> Social protection</td> </tr> <tr> <td><input type="checkbox"/> Other:</td> <td></td> </tr> </table>	<input type="checkbox"/> Economic growth	<input checked="" type="checkbox"/> Human development	<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance	<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection	<input type="checkbox"/> Other:	
<input type="checkbox"/> Economic growth	<input checked="" type="checkbox"/> Human development									
<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance									
<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development									
<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection									
<input type="checkbox"/> Other:										
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>										
<p>4. Responsible division/department: PAHQ/PARD</p>										
<p>5. Responsible ADB officer(s): Tilak Sen</p>										
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: The provision and quality of social services to the outer islands needs to be improved by better utilizing limited resources.</p> <p>b. Goal and purpose: The TA will lead to a loan targeted to reduce poverty and improve quality of life in the outer islands.</p> <p>c. Components and outputs:</p> <p>d. Expected results and deliverables: Availability of basic social services in the outer islands, more efficient utilization of resources in the social sectors.</p> <p>e. Social or environmental issues or concerns:</p> <p>f. Plans for disseminating results/deliverables:</p>										

<p>7. Proposed executing/implementing agencies: Ministry of Health and Environment</p>
<p>8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance:</p>
<p>9. Timetable for assistance design, processing, and implementation</p> <p>a. Year included in CSPU: 2003</p> <p>b. Expected date of submission for approval Lending: Nonlending (project preparatory): June 2003 Nonlending (other than project preparatory): Activities financed by JFICT or JFPR:</p> <p>c. Period and duration of assistance Lending: Nonlending: 8 months Activities financed by JFICT or JFPR:</p>
<p>10. Financing Plan (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)</p> <p>a. For lending <input type="checkbox"/> Ordinary capital resources <input type="checkbox"/> Asian Development Fund <input type="checkbox"/> Other</p> <p>If cofinancing is required indicate sources, and amount sought: If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):</p> <p>b. For nonlending <input type="checkbox"/> No resources required, other than ADB staff <input type="checkbox"/> ADB's administrative budget <input checked="" type="checkbox"/> Grant TA funds <input checked="" type="checkbox"/> TA Special Fund: \$400,000 <input type="checkbox"/> Japan Special Fund <input type="checkbox"/> Other (specify, e.g., bilateral and multilateral trust funds)</p> <p>If cofinancing is required indicate sources, and amount sought: If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):</p> <p>c. For projects financed by <input type="checkbox"/> JFICT: <input type="checkbox"/> JFPR:</p> <p>If cofinancing is required indicate sources, and amount sought: If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):</p>

ADB = Asian Development Bank, CSPU = country strategy and program update, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, SCSP = subregional cooperation strategy and program, TA = technical assistance.

**Table A4.4: Implementing Medium-Term Budget Framework
and Improving Effective Delivery of Public Services**

<p>1. Type/modality of assistance</p> <p><input type="checkbox"/> Lending</p> <p> <input type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input checked="" type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>										
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Economic Subsector: Budget and Fiscal Management</p> <p>b. For project preparatory and lending, classification</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s)</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Economic growth</td> <td><input type="checkbox"/> Human development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td><input checked="" type="checkbox"/> Good governance</td> </tr> <tr> <td><input type="checkbox"/> Environmental protection</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input type="checkbox"/> Social protection</td> </tr> <tr> <td><input type="checkbox"/> Other: Fiscal and Financial Management</td> <td></td> </tr> </table>	<input checked="" type="checkbox"/> Economic growth	<input type="checkbox"/> Human development	<input type="checkbox"/> Gender and development	<input checked="" type="checkbox"/> Good governance	<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection	<input type="checkbox"/> Other: Fiscal and Financial Management	
<input checked="" type="checkbox"/> Economic growth	<input type="checkbox"/> Human development									
<input type="checkbox"/> Gender and development	<input checked="" type="checkbox"/> Good governance									
<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development									
<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection									
<input type="checkbox"/> Other: Fiscal and Financial Management										
<p>3. Coverage</p> <p><input type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input checked="" type="checkbox"/> Internal policy development</p>										
<p>4. Responsible division/department: PAHQ/PARD</p>										
<p>5. Responsible ADB officer(s): Tilak Sen</p>										
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: The TA, Fiscal, Financial and Economic Advisory Services, attached to the Fiscal and Financial Management Program loan initiated the consensus-building and initial implementation of a medium-term budgeting approach that aims to make fiscal planning and decision making performance-oriented. The TA accomplished the following:</p> <p>(i) establishment of a medium-term budget and investment framework (MTBIF), placing it as a major component of the Government's commitment to enhanced overall fiscal management and accountability as well as within the Compact of Free Association with the United States;^a review of 2002 budget and analysis of revenue and expenditure to set the base for 2003-2005 and inform Government of over/under achieving targets;</p> <p>(ii) passage of the MTBIF by the Cabinet;</p> <p>(iii) preparation and approval of the timelines for FY2003 and 2004 budgets;</p> <p>(iv) identification of funding envelopes for FY2003 and estimates for FY2004 and 2005, and acceptance by Cabinet; and</p>										

- (v) preparation of standardized budget planning templates to assist in the receipt of standard budget submissions from all ministries/agencies to allow for internal government transparency and simpler reporting to the Ministry of Finance and allow for more understandable and transparent budget reporting to the public.

b. Goal and purpose: The TA will focus on implementing a sustainable medium-term performance-based budgeting system throughout all government ministries/agencies to improve public management, service delivery, and accountability. This will include budget preparation, management, and evaluation based on overall and ministry/agency performance indicators in accord with Government social and economic development objectives. The TA will also address the professionalism and efficiency of public service management, linked to the medium-term budget framework and performance orientation, to improve overall public sector effectiveness.

c. Components and outputs:

(i) With the Ministry of Finance, mainly its Budget Office, develop a support team to administer the MTBIF and provide advisory and other support to the budget sections of each ministry/agency.

(ii) Implement the MTBIF at the ministerial/agency level so that there are linked templates for budget preparation, management, and evaluation.

(iii) Identify key performance objectives and factors within MOF for budget performance evaluation and within the Economic Policy, Planning and Statistics Office (EPPSO) for overall socioeconomic performance measurement. Identify overall performance indicators for budget performance and socioeconomic performance. Prepare reporting document/template formats.

(iv) Identify key performance objectives and factors within each ministry/agency for sector performance measurement. Identify related sector performance indicators for each ministry/agency. Prepare reporting document/template formats and create reporting channels to the MOF, EPPSO and the general public.

(v) Establish a system of information development and sharing within the ministries/agencies and between the ministries/agencies and MOF and EPPSO so that the exchange and reporting of budget and performance information is ongoing. Create reporting formats for transparent and easily understandable reporting to the general public.

(vi) To improve public sector management from an efficiency and input/output viewpoint and linking to the above MTBIF and performance indicators, review existing and planned redeployment, pay scales, conditions of public services, and authority delegation. Make recommendations and advise on any resulting public administration reforms to improve the efficiency and effectiveness of the public service.

(vii) Conduct a training needs analysis. For MOF, EPPSO, and each ministry/agency, create a tailored program to establish MTBIF and facilitate the identification, measurement, and reporting of performance indicators. At the ministry/agency level, the training and process development will also concentrate on how to use the information to improve internal management and the delivery of services. Training will be provided at three levels: ministry/agency budget offices; ministry/agency administration units to include secretaries; and senior decision makers to include the chief secretary and the Cabinet.

d. Expected results and deliverables: By the end of the TA, MOF is expected to have established an MTBIF procedural process internally with the FY2003 budget being the first budget planned in this manner. Given the progress to date, future TA resources need to be targeted to (i) budget management; planning, management, and evaluation at the ministry/agency level to improve departmental/agency management, service delivery and accountability; and (ii) establishing a linked budget and performance indicator evaluation process. The TA needs to include process development as well as institutional strengthening and human resource development so as to have an integrated and sustainable system.

e. Social or environmental issues or concerns: None

f. Plans for disseminating results/deliverables: The TA will be implemented in 2003 and 2004 to follow the budget process and capitalize on continuing progress made under the current TA. Consultant interventions will be intermittent during this 24-month period. Consultant inputs required include one budget adviser to assist in implementing the MTBIF and providing related process development and training, for 12 person-months (6 person-months annually of 3-4 missions); and one public management-performance indicator specialist to assist in identifying and providing training on performance objectives, factors, and indicators to improve public management and service delivery; and conduct an assessment of the public service to advise on further professionalization to

improve efficiency and effectiveness, for 10 person-months (6 months the first year with timing similar to the budget adviser; and 4 months the second year with timing similar to the Budget Advisor. The PFTAC is expected to collaborate with TA implementation.

7. Proposed executing/implementing agencies: Ministry of Finance

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance:
Ministry of Finance has been fully involved in the formulation of the TA.

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSPU: 2003
- b. Expected date of submission for approval
Lending:
Nonlending (project preparatory):
Nonlending (other than project preparatory): January 2003
Activities financed by JFICT or JFPR:
- c. Period and duration of assistance
Lending:
Nonlending: 2 years
Activities financed by JFICT or JFPR:

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

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

If cofinancing is required indicate sources, and amount sought:

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

- b. For nonlending
- No resources required, other than ADB staff
 - ADB's administrative budget:
 - Grant TA funds
 - TA Special Fund: \$300,000
 - Japan Special Fund:
 - Other (specify, e.g., bilateral and multilateral trust funds):

If cofinancing is required indicate sources, and amount sought:

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

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

If cofinancing is required indicate sources, and amount sought:

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

ADB = Asian Development Bank, CSPU = country strategy and program update, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, SCSP = subregional cooperation strategy and program, TA = technical assistance.

^a The Compact of Free Association provides grant assistance that supports about one third of budget revenues in addition to targeted U.S. federal programs and services.

Table A4.5: Support for Private Sector Unit II

<p>1. Type/modality of assistance</p> <p><input type="checkbox"/> Lending</p> <p><input type="checkbox"/> Project loan</p> <p><input type="checkbox"/> Program loan</p> <p><input type="checkbox"/> Sector loan</p> <p><input type="checkbox"/> Sector development program loan</p> <p><input type="checkbox"/> Other:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p><input type="checkbox"/> Project preparatory</p> <p><input checked="" type="checkbox"/> Other than project preparatory</p> <p><input type="checkbox"/> Economic, thematic, and sector work</p> <p><input type="checkbox"/> Institutional development</p> <p><input type="checkbox"/> Other</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>										
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Private Sector Development Subsector: Privatization</p> <p>b. For project preparatory and lending, classification</p> <p><input type="checkbox"/> Core poverty intervention</p> <p><input type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s)</p> <table> <tr> <td><input type="checkbox"/> Economic growth</td> <td><input type="checkbox"/> Human development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td><input type="checkbox"/> Good governance</td> </tr> <tr> <td><input type="checkbox"/> Environmental protection</td> <td><input checked="" type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input type="checkbox"/> Social protection</td> </tr> <tr> <td><input type="checkbox"/> Other:</td> <td></td> </tr> </table>	<input type="checkbox"/> Economic growth	<input type="checkbox"/> Human development	<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance	<input type="checkbox"/> Environmental protection	<input checked="" type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection	<input type="checkbox"/> Other:	
<input type="checkbox"/> Economic growth	<input type="checkbox"/> Human development									
<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance									
<input type="checkbox"/> Environmental protection	<input checked="" type="checkbox"/> Private sector development									
<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection									
<input type="checkbox"/> Other:										
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>										
<p>4. Responsible division/department: PAHQ/PARD</p>										
<p>5. Responsible ADB officer(s): Tilak Sen</p>										
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: Subsidies and management effort to sustain loss-incurring state-owned enterprises (SOEs) is a drain on the limited resources of the Government. Privatization of SOEs would free up resources for poverty reduction and improve the climate for private sector development.</p> <p>b. Goal and purpose: The follow-up TA will help with the corporatization/privatization of the SOE identified under the first TA.</p> <p>c. Components and outputs: Privatization of SOEs</p> <p>d. Expected results and deliverables: Reduction of government subsidy for SOEs; several SOEs privatized or brought to the point of sale.</p> <p>e. Social or environmental issues or concerns: None</p> <p>f. Plans for disseminating results/deliverables: To be determined.</p>										
<p>7. Proposed executing/implementing agencies: Office of the President</p>										

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

Privatization of SOEs is consistent with the Government's strategy as developed under the Pacific Islands Economic Report (Meto 2000). Organization of the Private Sector Unit will be given adequate authority and support by the Government to show its resolve in undertaking corporatization/privatization of SOEs.

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSPU: 2003
- b. Expected date of submission for approval
 - Lending:
 - Nonlending (project preparatory):
 - Nonlending (other than project preparatory): March 2003
 - Activities financed by JFICT or JFPR:
- c. Period and duration of assistance
 - Lending:
 - Nonlending: 8 months
 - Activities financed by JFICT or JFPR:

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

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

If cofinancing is required indicate sources, and amount sought:

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

- c. For nonlending
 - No resources required, other than ADB staff
 - ADB's administrative budget
 - Grant TA funds
 - TA Special Fund: \$250,000
 - Japan Special Fund
 - Other (specify, e.g., bilateral and multilateral trust funds)

If cofinancing is required indicate sources, and amount sought:

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

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

If cofinancing is required indicate sources, and amount sought:

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

ADB = Asian Development Bank, CSPU = country strategy and program update, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, PSU = Private Sector Unit, SCSP = subregional cooperation strategy and program. SOE = state-owned enterprise. TA = technical assistance.

Table A4.6: Strategic Advisory Team

<p>1. Type/modality of assistance</p> <p><input type="checkbox"/> Lending</p> <p><input type="checkbox"/> Project loan</p> <p><input type="checkbox"/> Program loan</p> <p><input type="checkbox"/> Sector loan</p> <p><input type="checkbox"/> Sector development program loan</p> <p><input type="checkbox"/> Other:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p><input type="checkbox"/> Project preparatory</p> <p><input checked="" type="checkbox"/> Other than project preparatory</p> <p><input type="checkbox"/> Economic, thematic, and sector work</p> <p><input checked="" type="checkbox"/> Institutional development</p> <p><input type="checkbox"/> Other</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>										
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Others Subsector:</p> <p>b. For project preparatory and lending, classification</p> <p><input type="checkbox"/> Core poverty intervention</p> <p><input type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s)</p> <table border="0"> <tr> <td><input type="checkbox"/> Economic growth</td> <td><input type="checkbox"/> Human development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td><input checked="" type="checkbox"/> Good governance</td> </tr> <tr> <td><input type="checkbox"/> Environmental protection</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input type="checkbox"/> Social protection</td> </tr> <tr> <td><input type="checkbox"/> Other:</td> <td></td> </tr> </table>	<input type="checkbox"/> Economic growth	<input type="checkbox"/> Human development	<input type="checkbox"/> Gender and development	<input checked="" type="checkbox"/> Good governance	<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection	<input type="checkbox"/> Other:	
<input type="checkbox"/> Economic growth	<input type="checkbox"/> Human development									
<input type="checkbox"/> Gender and development	<input checked="" type="checkbox"/> Good governance									
<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development									
<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection									
<input type="checkbox"/> Other:										
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>										
<p>4. Responsible division/department: PAHQ/PARD</p>										
<p>5. Responsible ADB officer(s): Tilak Sen</p>										
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: The proposed assistance will strengthen capacities for economic management and policy analysis, which are crucial for any sustained effort at poverty reduction and development.</p> <p>b. Goal and purpose: The proposed TA will assist the country to analyze the current economy, trends, and prospects; and will identify major issues and constraints and alternative strategies in support of growth and development in the medium term.</p> <p>c. Components and outputs: Macroeconomists will guide and monitor selected interns and/or staff of the Planning Office in economic planning and analyses. An immediate output will be a comprehensive report on the macroeconomy and key sectors.</p> <p>d. Expected results and deliverables: The assistance will help to refine and improve the Government's medium-term strategy, development plan, and budget framework.</p> <p>e. Social or environmental issues or concerns: None</p>										

<p>f. Plans for disseminating results/deliverables: To be determined.</p>
<p>7. Proposed executing/implementing agencies: Ministry of Finance</p>
<p>8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: The TA could be cofinanced by the US in an arrangement similar to the earlier TA for Policy Advisory Team.</p>
<p>9. Timetable for assistance design, processing, and implementation</p> <p>a. Year included in CSPU: 2004</p> <p>b. Expected date of submission for approval</p> <p style="padding-left: 20px;">Lending:</p> <p style="padding-left: 20px;">Nonlending (project preparatory):</p> <p style="padding-left: 20px;">Nonlending (other than project preparatory): January 2004</p> <p style="padding-left: 20px;">Activities financed by JFICT or JFPR:</p> <p>c. Period and duration of assistance</p> <p style="padding-left: 20px;">Lending:</p> <p style="padding-left: 20px;">Nonlending: 2 years</p> <p style="padding-left: 20px;">Activities financed by JFICT or JFPR:</p>
<p>10. Financing Plan (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)</p> <p>a. For lending</p> <p style="padding-left: 20px;"><input type="checkbox"/> Ordinary capital resources</p> <p style="padding-left: 20px;"><input type="checkbox"/> Asian Development Fund</p> <p style="padding-left: 20px;"><input type="checkbox"/> Other</p> <p>If cofinancing is required indicate sources, and amount sought: If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):</p> <p>d. For nonlending</p> <p style="padding-left: 20px;"><input type="checkbox"/> No resources required, other than ADB staff</p> <p style="padding-left: 20px;"><input type="checkbox"/> ADB's administrative budget</p> <p style="padding-left: 20px;"><input checked="" type="checkbox"/> Grant TA funds</p> <p style="padding-left: 40px;"><input checked="" type="checkbox"/> TA Special Fund: \$400,000</p> <p style="padding-left: 40px;"><input type="checkbox"/> Japan Special Fund</p> <p style="padding-left: 40px;"><input type="checkbox"/> Other (specify, e.g., bilateral and multilateral trust funds)</p> <p>If cofinancing is required indicate sources, and amount sought: If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):</p> <p>c. For projects financed by</p> <p style="padding-left: 20px;"><input type="checkbox"/> JFICT:</p> <p style="padding-left: 20px;"><input type="checkbox"/> JFPR:</p> <p>If cofinancing is required indicate sources, and amount sought: If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):</p>

ADB = Asian Development Bank, CSPU = country strategy and program update, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, SCSP = subregional cooperation strategy and program. TA = technical assistance. US = United States.

Table A4.7: Improving Economic Management and Preparation of Economic Report

<p>1. Type/modality of assistance</p> <p><input type="checkbox"/> Lending</p> <p> <input type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input checked="" type="checkbox"/> Other than project preparatory</p> <p> <input checked="" type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Others Subsector:</p> <p>b. For project preparatory and lending, classification</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s)</p> <p> <input checked="" type="checkbox"/> Economic growth</p> <p> <input type="checkbox"/> Gender and development</p> <p> <input type="checkbox"/> Environmental protection</p> <p> <input type="checkbox"/> Regional cooperation</p> <p> <input type="checkbox"/> Other:</p> <p> <input type="checkbox"/> Human development</p> <p> <input type="checkbox"/> Good governance</p> <p> <input type="checkbox"/> Private sector development</p> <p> <input type="checkbox"/> Social protection</p>
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>
<p>4. Responsible division/department: PAHQ/PARD</p>
<p>5. Responsible ADB officer(s): Tilak Sen</p>
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: An economic report for the Republic of the Marshall Islands was published in 1996 under the Pacific Islands Economic Report series. Since then, with ADB's assistance, the RMI has embarked on a major reform program, and the country and global economy have undergone major changes.</p> <p>b. Goal and purpose: The proposed TA will assist the RMI to prepare an economic report that will analyze both the recent economic performance and impact of reforms. Thus, the TA will contribute to the formulation and implementation of development policies in the RMI. It will also provide inputs for ADB assistance to the RMI.</p> <p>c. Components and outputs: The TA will (i) analyze the current economy, trends, and prospects; (ii) identify major issues, constraints, and alternative strategies in support of growth and development in the medium term; and (iii) prepare an economic report and include a forward-looking strategy that will form the basis for a more comprehensive development plan.</p> <p>d. Expected results and deliverables: An economic report produced in a timely manner, in form suitable for publication covering economic development performance, problems, prospects, and possible strategies.</p>

<p>e. Social or environmental issues or concerns:</p> <p>f. Plans for disseminating results/deliverables: To be determined.</p>
<p>7. Proposed executing/implementing agencies: Ministry of Finance</p>
<p>8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance:</p>
<p>9. Timetable for assistance design, processing, and implementation</p> <p>a. Year included in CSPU: 2004</p> <p>b. Expected date of submission for approval Lending: Nonlending (project preparatory): Nonlending (other than project preparatory): March 2004 Activities financed by JFICT or JFPR:</p> <p>c. Period and duration of assistance Lending: Nonlending: 8 months Activities financed by JFICT or JFPR:</p>
<p>10. Financing Plan (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)</p> <p>a. For lending</p> <p><input type="checkbox"/> Ordinary capital resources</p> <p><input type="checkbox"/> Asian Development Fund</p> <p><input type="checkbox"/> Other</p> <p>If cofinancing is required indicate sources, and amount sought: If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):</p> <p>b. For nonlending</p> <p><input type="checkbox"/> No resources required, other than ADB staff</p> <p><input type="checkbox"/> ADB's administrative budget</p> <p><input checked="" type="checkbox"/> Grant TA funds</p> <p><input checked="" type="checkbox"/> TA Special Fund: \$250,000</p> <p><input type="checkbox"/> Japan Special Fund</p> <p><input type="checkbox"/> Other (specify, e.g., bilateral and multilateral trust funds)</p> <p>If cofinancing is required indicate sources, and amount sought: If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):</p> <p>c. For projects financed by</p> <p><input type="checkbox"/> JFICT:</p> <p><input type="checkbox"/> JFPR:</p> <p>If cofinancing is required indicate sources, and amount sought: If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):</p>

ADB = Asian Development Bank, CSPU = country strategy and program update, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, RMI = Republic of the Marshall Islands, SCSP = subregional cooperation strategy and program, TA = technical assistance.

Table A4.8: Support for Tourism Development II

<p>1. Type/modality of assistance</p> <p><input type="checkbox"/> Lending</p> <p><input type="checkbox"/> Project loan</p> <p><input type="checkbox"/> Program loan</p> <p><input type="checkbox"/> Sector loan</p> <p><input type="checkbox"/> Sector development program loan</p> <p><input type="checkbox"/> Other:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p><input type="checkbox"/> Project preparatory</p> <p><input checked="" type="checkbox"/> Other than project preparatory</p> <p><input checked="" type="checkbox"/> Economic, thematic, and sector work</p> <p><input type="checkbox"/> Institutional development</p> <p><input type="checkbox"/> Other</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>										
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Privatization Subsector:</p> <p>b. For project preparatory and lending, classification</p> <p><input type="checkbox"/> Core poverty intervention</p> <p><input type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s)</p> <table border="0"> <tr> <td><input type="checkbox"/> Economic growth</td> <td><input type="checkbox"/> Human development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td><input type="checkbox"/> Good governance</td> </tr> <tr> <td><input type="checkbox"/> Environmental protection</td> <td><input checked="" type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input type="checkbox"/> Social protection</td> </tr> <tr> <td><input type="checkbox"/> Other:</td> <td></td> </tr> </table>	<input type="checkbox"/> Economic growth	<input type="checkbox"/> Human development	<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance	<input type="checkbox"/> Environmental protection	<input checked="" type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection	<input type="checkbox"/> Other:	
<input type="checkbox"/> Economic growth	<input type="checkbox"/> Human development									
<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance									
<input type="checkbox"/> Environmental protection	<input checked="" type="checkbox"/> Private sector development									
<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection									
<input type="checkbox"/> Other:										
<p>3. Coverage</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>										
<p>4. Responsible division/department: PAHQ/PARD</p>										
<p>5. Responsible ADB officer(s): Tilak Sen</p>										
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: Tourism is one of the only sectors with potential for providing jobs and incomes for the Marshallese.</p> <p>b. Goal and purpose: The proposed TA will assist the Government in developing the market potential for RMI tourism and support the Marshall Islands Visitors Authority (MIVA).</p> <p>c. Components and outputs: The proposed TA will (i) establish firm contacts with tourist operators in major markets; (ii) convene workshops for public and private sector interests to identify small, marketable tourism projects; and (iii) develop a business plan for the Visitors Bureau.</p> <p>d. Expected results and deliverables: Increase in tourist arrivals, additional jobs created in the tourism sector.</p> <p>e. Social or environmental issues or concerns:</p> <p>f. Plans for disseminating results/deliverables: To be determined.</p>										

7. Proposed executing/implementing agencies: Ministry of Resources and Development
8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance:
<p>9. Timetable for assistance design, processing, and implementation</p> <p>a. Year included in CSPU: 2005</p> <p>b. Expected date of submission for approval Lending: Nonlending (project preparatory): Nonlending (other than project preparatory): February 2005 Activities financed by JFICT or JFPR:</p> <p>c. Period and duration of assistance Lending: Nonlending: 8 months Activities financed by JFICT or JFPR:</p>
<p>10. Financing Plan (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)</p> <p>a. For lending <input type="checkbox"/> Ordinary capital resources <input type="checkbox"/> Asian Development Fund <input type="checkbox"/> Other</p> <p>If cofinancing is required indicate sources, and amount sought: If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):</p> <p>b. For nonlending <input type="checkbox"/> No resources required, other than ADB staff <input type="checkbox"/> ADB's administrative budget <input checked="" type="checkbox"/> Grant TA funds <input checked="" type="checkbox"/> TA Special Fund: \$250,000 <input type="checkbox"/> Japan Special Fund <input type="checkbox"/> Other (specify, e.g., bilateral and multilateral trust funds)</p> <p>If cofinancing is required indicate sources, and amount sought: If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):</p> <p>c. For projects financed by <input type="checkbox"/> JFICT: <input type="checkbox"/> JFPR:</p> <p>If cofinancing is required indicate sources, and amount sought: If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):</p>

ADB = Asian Development Bank, CSPU = country strategy and program update, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, MIVA = Marshall Islands Visitors Authority, RMI = Republic of the Marshall Islands, SCSP = subregional cooperation strategy and program, TA = technical assistance.