

# Project Administration Instructions

PAI 5.02  
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## CONTRACT AWARDS, COMMITMENTS, AND DISBURSEMENT PROJECTIONS

### A. Introduction

1. Effective monitoring of project implementation requires accurate projections of contract awards, commitments, and disbursements. Comparison of such projections with the actual helps identify impediments to implementation progress and remedial measures. Accurate disbursement projection also helps ADB improve its overall liquidity, cash flow, and portfolio management.

### B. Preparation and Procedures

2. The Central Operations Services Office (COSO) distributes the projections worksheet QP-01 (in either hard copy or electronic form) to sector divisions and the regional or resident missions (RMs) by the second week of September, to be given to executing agencies (EAs) to complete their projections of contract awards, commitments, and disbursement for the following year. The EA is to submit the completed QP-01 to sector division or RM responsible for project implementation by the second week of each year.

3. Using information received from the EAs, the sector division or RM prepares annual projections of contract awards, commitments, and disbursement (with quarterly breakdowns) for all projects it administers (for loans approved up to 31 December each year). Each sector division and RM also prepares a separate statement of projections for loans expected to be approved during the year, including program loans. The project number assigned by the project processing information system is used as a reference.

4. The projections for each loan or loan segment are summarized using the divisional summary form of the project administration system (PAS) in the Excel spreadsheet file. The summary is submitted to the COSO by the first Monday of February each year.

5. COSO reviews the projections, in particular those prepared for program loans. If the projections appear unrealistic, COPP consults with the sector divisions and RMs concerned to revise the projections. The revised data is then uploaded into the mainframe-based loan financial information system (LFIS) to generate a report of annual projections (with quarterly breakdown) of contract awards, commitments, and disbursements. The consolidated projection is made available in Lotus Notes.

6. For monitoring purposes, monthly reports on projected and actual contract awards, commitments, and disbursements are generated from the LFIS for integration of the financial data to the PAS for project performance report (PPR) systems in Lotus Notes. These reports are made available for operational review meetings, quarterly portfolio updates, annual report on loan and technical assistance (TA) portfolio performance, background papers for country portfolio review missions, and other related project administration monitoring activities.

7. For project administration purposes (para.1), the annual contract awards, commitments, and disbursement projections prepared in February remain unchanged and serve as the target to monitor

achievements. A special on-line facility in the LFIS is used by regional departments to update program loan tranche releases.

8. Disbursement delay, which is computed against quarterly projections, is one of the potential problem criteria (PAI 5.10, Appendix 1) in the PPR system.