

OPERATIONS MANUAL POLICIES AND PROCEDURES

These policies and procedures were prepared for use by ADB staff and are not necessarily a complete treatment of the subject. This *Operations Manual* was prepared and issued by the Strategy, Policy, and Partnerships Department (SPD) with the approval of the President. Questions may be directed to the director of the Strategy, Policy, and Business Process Division of SPD.

COUNTRY PARTNERSHIP STRATEGY

A. Context and Scope

1. Under its long-term corporate strategy, Strategy 2030, the Asian Development Bank (ADB) aims to achieve a prosperous, inclusive, resilient, and sustainable Asia and the Pacific, while sustaining its efforts to eradicate extreme poverty. ADB will continue prioritizing support for its poorest and most vulnerable developing member countries (DMCs) and having tailored and focused engagement with more advanced countries.

2. ADB needs to customize its approach to supporting each partner DMC because of the ambitious global development agenda,¹ the differences in DMC needs and institutional strengths, and the availability of development resources. The country partnership strategy (CPS) serves as the primary platform for defining ADB's operational focus in a country, with the DMC driving its own development and ADB providing customized solutions to development needs and challenges. The CPS sets the framework for cooperation between the DMC and ADB. It should fully reflect the DMC's development priorities outlined in its national development plan and ADB's operational priorities under Strategy 2030.

3. The CPS needs to articulate how ADB will deliver integrated and innovative solutions to the country's development needs through a combination of sovereign and nonsovereign operations including technical assistance and transaction advisory services, knowledge services, and partnerships. When defining priorities under the CPS, ADB should be selective to ensure that its resources are not spread too thin, while maintaining scope for flexibility. ADB will explore cofinancing opportunities to maximize the potential development impacts of its support to the DMC.

B. General Procedures and Required Related Documents

4. The DMC and ADB should agree on the strategic directions of the CPS. The CPS should be prepared in close partnership with key stakeholders in the country including the government, private sector, development partners, and civil society organizations. Consultations with stakeholders are critical at the start of the CPS process and should ideally be carried out frequently throughout CPS preparation and implementation.

5. ADB's engagement with a DMC should be assessed critically and considered thoroughly. The CPS should be based on sound analytical or diagnostic work including an assessment of the DMC's inclusive and sustainable growth, an evaluation of ADB's past assistance program in the

¹ Including the Sustainable Development Goals and its related Financing for Development agenda, the Paris Agreement on climate change, and the Sendai Framework for Disaster Risk Reduction.

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DMC, and a comparison of development partner support to the DMC. Inputs from these assessments should help shape the direction of the CPS.

6. To ensure there is a credible and systematic strategy for achieving the objectives defined in the CPS, the document must include a CPS results framework. The CPS must also define the scope of ADB's knowledge operations in the DMC through a country knowledge plan.

C. Disclosure

7. The CPS will be posted on the ADB website when it is circulated to the Board, subject to the concurrence of the DMC. If the DMC does not consent to early disclosure, the documents will be posted on the ADB website upon endorsement by the Board.

Bases

- i. ADB. 2018. *Strategy 2030: Achieving a Prosperous, Inclusive, Resilient, and Sustainable Asia and the Pacific*. Manila.
- ii. ADB. 2021. *Country Partnership Strategy and Results Framework Review*. Manila.
- iii. ADB. 2018. *Access to Information Policy*. Manila.