



## Technical Assistance Report

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Project Number: 54036-001  
Knowledge and Support Technical Assistance (KSTA)  
November 2020

# Creating Investable Cities in a Post-COVID-19 Asia and the Pacific—Enhancing Competitiveness and Resilience through Quality Infrastructure

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Asian Development Bank



## **ABBREVIATIONS**

ADB	–	Asian Development Bank
ASEAN	–	Association of Southeast Asian Nations
COVID-19	–	coronavirus disease
DMC	–	developing member countries
DRM	–	domestic resource mobilization
GDP	–	gross domestic product
PPP	–	public–private partnership
PPP TG	–	Public–Private Partnership Thematic Group
QII	–	quality infrastructure investment
TA	–	technical assistance
TASF	–	Technical Assistance Special Fund

## **NOTE**

- (i) In this report, “\$” refers to United States dollars.

<b>Vice-President</b>	Ashok Lavasa, Vice-President (Private Sector Operations and Public–Private Partnerships)
<b>Head</b>	Yoji Morishita, Office of Public-Private Partnership (OPPP)
<b>Chief of Sector</b>	Srinivas Sampath, Public-Private Partnership Thematic Group (PPP TG), OPPP
<b>Team leader</b>	Sanjay Grover, Public-Private Partnership Specialist, PPP TG, OPPP
<b>Team members</b>	<p>Eduardo Abello, Principal Operations Coordination Specialist, Office of the Director General, Private Sector Operations Department (PSOD)</p> <p>Eduardo Banzon, Principal Health Specialist, Health Sector Group, Sustainable Development and Climate Change Department (SDCC)</p> <p>Maria Carmela Buensalido, Senior Investment Officer, Risk Analytics Unit, Private Sector Operations Department (PSOD)</p> <p>Vivian Castro-Woolridge, Senior Urban Development Specialist, Urban Development, Water Supply &amp; Sanitation Division, Pacific Department (PARD)</p> <p>Carmelia Godoy, Senior Operations Assistant, PPP TG, OPPP</p> <p>Sanjay Divakar Joshi, Principal Urban Development Specialist, Urban Development and Water Division, South Asia Department (SARD)</p> <p>Hong Soo Lee, Senior Urban Specialist (Smart Cities), Urban Sector Group (SDSC-URB), SDCC</p> <p>Sunghoon Kris Moon, Urban Development Specialist, SDSC-URB, SDCC</p> <p>Per Ola Nilsson, Principal Risk Management Specialist, Risk Policy and Architecture Division, Office of Risk Management</p> <p>Stephen Peters, Senior Energy Specialist (Waste-to-Energy), Energy Sector Group, SDCC</p> <p>Hanif Rahemtulla, Principal Public Management Specialist, Governance Thematic Group, SDCC</p> <p>Vivek Raman, Senior Operations Coordination Specialist (Innovation and Knowledge), Knowledge Advisory Services Center, SDCC</p> <p>Vivek Rao, Principal Financial Sector Specialist, Public Management, Financial Sector, and Trade Division, Southeast Asia Department (SERD)</p> <p>Stefan Rau, Senior Urban Development Specialist, Urban and Social Sectors Division, East Asia Department (EARD)</p> <p>Antonio Ressano, Principal Urban Development Specialist, Urban Development and Water Division, SERD</p> <p>Arghya Sinha Roy, Senior Climate Change Specialist (Climate Change Adaptation), Climate Change and Disaster Risk Management Thematic Group, SDCC</p> <p>Yashna Shrawani, Counsel, Office of the General Counsel</p> <p>Ron Slangen, Principal Urban Development Specialist, Urban Development and Water Division, Central and West Asia Department (CWRD)</p>

Priyanka Sood, Senior Financial Sector Specialist, Public Management, Financial Sector, & Trade Division, CWRD  
Jezreel Uy, Associate Public–Private Partnership Officer, Office of the Head, OP PP  
Johannes Jacobus Frederik Van Rijn, Principal Public Management Specialist, Public Management, Financial Sector, & Regional Cooperation Division, EARD  
Wendy Walker, Chief of Social Development Thematic Group, SDCC  
James Webb, Public Management Economist, Social Sectors and Public Sector Management Division, PARD

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## KNOWLEDGE AND SUPPORT TECHNICAL ASSISTANCE AT A GLANCE

<b>1. Basic Data</b>		<b>Project Number:</b> 54036-001	
<b>Project Name</b>	Creating Investable Cities in a Post-COVID-19 Asia and the Pacific — Enhancing Competitiveness and Resilience through Quality Infrastructure	<b>Department/Division</b>	OPPP/OPOH
<b>Nature of Activity</b>	Capacity Development, Policy Advice	<b>Executing Agency</b>	Asian Development Bank
<b>Modality</b>	Regular		
<b>Country</b>	REG (BAN, GEO, IND, INO, KAZ, MAL, PAK, PHI, PNG, PRC, SRI, THA, UZB, VIE)		
<b>2. Sector</b>		<b>Subsector(s)</b>	
<b>ADB Financing (\$ million)</b>			
✓ Water and other urban infrastructure and services	Other urban services		0.45
	Urban policy, institutional and capacity development		0.45
Public sector management	Decentralization		0.44
	Public expenditure and fiscal management		0.45
		<b>Total</b>	<b>1.79</b>
<b>3. Operational Priorities</b>		<b>Climate Change Information</b>	
✓ Accelerating progress in gender equality		GHG Reductions (tons per annum)	0
✓ Tackling climate change, building climate and disaster resilience, and enhancing environmental sustainability		Climate Change impact on the Project	Low
✓ Making cities more livable		<b>ADB Financing</b>	
✓ Strengthening governance and institutional capacity		Adaptation (\$ million)	0.00
		Mitigation (\$ million)	0.00
		<b>Cofinancing</b>	
		Adaptation (\$ million)	0.00
		Mitigation (\$ million)	0.00
<b>Sustainable Development Goals</b>		<b>Gender Equity and Mainstreaming</b>	
SDG 1.5		Some gender elements (SGE)	✓
SDG 5.b			
SDG 8.3		<b>Poverty Targeting</b>	
SDG 9.1		General Intervention on Poverty	✓
SDG 11.3, 11.5, 11.a			
SDG 16.6, 16.7			
SDG 17.1, 17.17			
<b>4. Risk Categorization</b> Complex			
<b>5. Safeguard Categorization</b> Safeguard Policy Statement does not apply			
<b>6. Financing</b>			
<b>Modality and Sources</b>		<b>Amount (\$ million)</b>	
<b>ADB</b>		<b>1.79</b>	
Knowledge and Support technical assistance: Technical Assistance Special Fund		1.79	
<b>Cofinancing</b>		<b>0.00</b>	
None		0.00	
<b>Counterpart</b>		<b>0.00</b>	
None		0.00	
<b>Total</b>		<b>1.79</b>	
<b>Currency of ADB Financing:</b> US Dollar			



## I. INTRODUCTION

1. More than 95% of all coronavirus disease (COVID-19) cases, to date, have been in urban areas. COVID-19 has brought the developing member countries' (DMC) cities onto the frontline and exposed their vulnerabilities.<sup>1</sup> The benefits of agglomeration—high density, lower mobility costs, regional and international connectivity—that made DMC cities the engines of economic growth in the region, have left these cities exposed to the risk of COVID-19, making them the biggest challenge in the fight against the pandemic. COVID-19 is an impetus to strengthen DMC cities' financial resiliency and domestic resource mobilization, and to increase their capacity for implementing quality infrastructure investments such that these cities can build back better and lead the economic recovery of our DMCs.

2. This knowledge and support technical assistance (TA) is aligned with ADB's Strategy 2030 and its operational priorities, in particular priority 4 (making cities more livable) and priority 6 (strengthening governance and institutional capacity).<sup>2</sup> The TA is also aligned with the operational plan for private sector operations, 2019–2024 and is included in the 2020 work plan of ADB's Public–Private Partnership Thematic Group.<sup>3</sup> The TA will leverage Asian Development Bank (ADB) resources, knowledge, and partnerships to help cities in DMCs increase their technical, financial, and managerial capacity to develop quality municipal infrastructure, improve their resource mobilization, and enhance their competitiveness and resilience post-COVID-19.

## II. ISSUES

3. Quality infrastructure investment (QII) drives economic growth.<sup>4</sup> It also increases resilience. Many services that have been directly impacted by the pandemic—water and sanitation, solid waste, health, education, housing, and transport—are provided by subnational governments, including states, provinces, and municipalities in ADB DMCs.<sup>5</sup> Chronic underinvestment in urban and social infrastructure in many DMC cities provides a significant opportunity for QII to lead economic recovery in the region post-COVID-19.

4. Prior to the COVID-19 pandemic, ADB estimated that DMCs needed to invest almost \$1.7 trillion annually in infrastructure from 2016 to 2030. With COVID-19, costs for infrastructure delivery are increasing, and it can be reasonably assumed that the infrastructure gap will widen. To close this gap, DMCs must take a three-pronged approach to maximizing value-for-money in infrastructure planning and procurement: (i) improve the efficiency of infrastructure spending; (ii)

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<sup>1</sup> Under the Creating Investable Cities (CIC) initiative, "city" refers to subnational government, local or regional, that has some responsibilities for citizen service provision and some autonomy with respect to budget, assets, and tax.

<sup>2</sup> ADB. 2018. [Strategy 2030: Achieving a Prosperous, Inclusive, Resilient, and Sustainable Asia and the Pacific](#). Manila.

<sup>3</sup> ADB. [Operational Plan for Private Sector Operations \(2019-2024\)](#).

<sup>4</sup> G20 Principles of Quality Infrastructure Investment Details (available from the list of linked documents in Appendix 3). The six G20 Principles of Quality Infrastructure Investment are (i) maximizing the positive impact of infrastructure to achieve sustainable growth and development; (ii) raising economic efficiency in view of life-cycle cost; (iii) integrating environmental considerations in infrastructure investments; (iv) building resilience against natural disasters and other risks; (v) integration social considerations in infrastructure investment; and (v) strengthening infrastructure governance.

<sup>5</sup> ADB. [Livable Cities: Post-COVID New Normal, put forth by the Urban Sector Group discussing the impact of COVID-19](#). Guidance note: August 2020. Guidance on this evolving topic is also being put forth by the Transport Sector Group, Education Sector Group, and Public–Private Partnership Thematic Group.

mobilize more internal resources, including through taxes and fees; and (iii) raise more capital from the private sector, including through public–private partnerships (PPPs).<sup>6</sup>

5. As DMCs emerge from mobilizing emergency social and economic relief, they will look to infrastructure development to kick-start their recoveries and will revisit masterplans to prioritize projects that will make them more resilient and competitive under the “new-normal.” But most cities in DMCs lack the ability to apply QII principles and bring efficiency, inclusivity, resilience, competitiveness, and sustainability to their project selection, preparation, and procurement processes, while ensuring sound public finances.<sup>7</sup>

6. PPPs are an important modality for attracting private capital and expertise to infrastructure projects, but this modality of infrastructure and services procurement has been significantly underutilized in Asia, especially in cities.<sup>8</sup> Scaling up PPPs requires a proper enabling environment, sound financial management practices, and good governance. To make these partnerships bankable, projects usually require government support; however, cities in Asia have limited legal and regulatory avenues to sustainably mobilize resources.

7. Even where no roadblocks exist, Asian cities lack multi-level and inter-agency coordination mechanisms and processes to enhance mobilization of own-source revenue. Cities could prudently borrow from national development banks or capital markets, but most cities in Asia and the Pacific do not have credit ratings for investors to assess credit risks. As a result, cities, unable to mobilize resources to support PPPs, are finding very little success in utilizing PPPs for infrastructure in Asia. But whichever way a city decides to mobilize resources to finance infrastructure, successful implementation will require a clear legislative and regulatory framework, including PPP laws and policies, and fiscal management guidelines that support national and subnational PPPs to increase investors’ confidence in the debt-raising and debt-management capacities of the city.

8. Finally, QII is complex and the capacity for implementation in cities is poor. Most cities in Asia and the Pacific do not have the technical, managerial, or financial capacity and tools to identify, screen, and prepare QII pipelines, and lack the managerial competence to sustainably mobilize domestic resources to implement them.<sup>9</sup>

### III. THE TECHNICAL ASSISTANCE

#### A. Impact and Outcome

9. The TA is aligned with the following impact: increase in municipal quality infrastructure investment.<sup>10</sup> The TA will have the following outcomes: (i) cities’ capacity for early-stage identification and preparation of quality infrastructure increased. (ii) cities’ capability to sustainably

<sup>6</sup> Value-for-money can be derived from, among other things, improvements in infrastructure delivery, including increasing operational efficiency, granting incentivized finance, project innovation, and better technical and managerial skills.

<sup>7</sup> McKinsey Global Institute. 2017. *Bridging Infrastructure gaps: Has the world made progress?* Washington DC.

<sup>8</sup> ADB. 2019. Realizing the Potential of Public-Private Partnerships to Advance Asia’s Infrastructure Development, Analysis of IJ Global transaction data during 2000–2016 showed that Asia accounted for only 5% of all PPP projects in education, healthcare, housing, and other social sectors. By contrast, Organisation for Economic Co-operation and Development countries accounted for 90% in these areas. Manila.

<sup>9</sup> PPP Knowledge Lab. 2017. [Municipal and other subnational PPPs](#).

<sup>10</sup> ADB. 2019. [Strategy 2030 Operational Plan for Priority 4: Making Cities More Livable, 2019–2024](#). Manila; and ADB. 2019. [Strategy 2030 Operational Plan for Priority 6: Strengthening Governance and Institutional Capacity, 2019–2024](#). Manila.

integrate PPPs into city's medium-term expenditure framework increased; and (iii) cities' capacity to leverage private sector support for municipal infrastructure enhanced.<sup>11</sup>

## B. Outputs, Methods, and Activities

10. To mitigate impacts of the COVID-19 crisis, DMCs across Asia and the Pacific have provided massive stimulus packages to support their economies as gross domestic product (GDP) contracts sharply throughout the region.<sup>12</sup> With rising debt-to-GDP ratios, bridging the significant infrastructure gap will require a coordinated effort to increase the efficiency of public infrastructure spending, mobilize domestic resources and development partner support, and attract private capital to quality infrastructure. The TA project will tie in principles of quality infrastructure with sustainable resource mobilization and capacity building to help select cities in Asia and the Pacific, hereafter called partner cities, develop plans for bridging their infrastructure gap.<sup>13</sup>

11. **Output 1: Frameworks to improve cities' ability to implement quality infrastructure investment developed.** This output will support the development of standardized frameworks to assess opportunities and challenges associated with partner cities mobilizing resources to implement QII.<sup>14</sup> The output envisages at least three frameworks discussed below. Sector-specific frameworks, for example in municipal health, public asset redevelopment, or social housing, that support sector development strategies may also be supported under this output.

12. **Output 1a: Country-level legal and institutional framework.** This framework will be used to evaluate the enabling environment to support subnational domestic resource mobilization (DRM) in DMCs, and concomitantly to operationalize elements of QII principles.<sup>15</sup> The framework will be used to analyze a partner city's legislative, regulatory, institutional, and governance framework; and its systems, rules, and procedures for subnational development financing, including the fiscal framework that regulates city and municipal entities' access to external resources, such as loans, bonds, or equity, to finance new projects or monetize operating assets. The analysis will extend to financial and capital markets that support subnational domestic resource mobilization in the relevant DMC.

13. **Output 1b: City resource mobilization and creditworthiness framework.** This framework will evaluate the DRM potential of a city to sustain key investments and accommodate future investment needs and priorities.<sup>16</sup> The framework will assess a partner city's fiscal health, analyzing the city's existing tax and asset base and intergovernmental transfers, and identify opportunities for improved financial management, governance, and resource mobilization. Alternatives for strengthening a city's fiscal position around credit strength, cost recovery reforms,

<sup>11</sup> The design and monitoring framework are in Appendix 1.

<sup>12</sup> ADB. 2020. [Asian Development Outlook Supplement, June 2020: Lockdown, Loosening, and Asia's Growth Prospects](#). Manila.

<sup>13</sup> Under the TA, the ADB will sign an agreement with each partner city, wherein the partner city will consent to, among others, confidentially disclose priority investment plans and provide historical and current spatial, demographic, economic, and financial data.

<sup>14</sup> The standardized frameworks will allow (i) dissemination of best practices; (ii) comparative analysis; (iii) scalability; and (iv) capturing learnings.

<sup>15</sup> This framework will be developed in coordination with Law and Policy Reform group in the Office of the General Counsel. The framework will leverage methodologies and existing information in ADB's *Public-Private Partnership Monitor*, the International Monetary Fund's *Public Investment Management Assessment (PIMA)*, the World Bank's *Public Expenditure and Financial Accountability (PEFA) Assessment*, and sector assessments from ADB resident missions.

<sup>16</sup> The framework will leverage the methodologies in World Bank's Subnational PEFA and ADB's City Infrastructure Investment Priority Programming toolkit.

access to financial markets, and additional revenue streams, including land value capture and asset recycling, will be evaluated.

14. **Output 1c: Quality infrastructure framework.** This framework will use QII principles to provide early-stage cross-thematic and multi-sectoral assistance to develop a quality municipal infrastructure pipeline to improve a partner city's resilience and competitiveness under the new normal. The framework will tie in key functions of climate and disaster resilience, planning, budgeting and financing that can maximize the positive social, economic, environmental, and development impacts of municipal infrastructure.<sup>17</sup> The framework will be continuously updated to capture learnings from output 4 as subsector indicators, benchmarks, and case studies are developed. At the project-level, the framework will focus on operationalizing QII in partner cities, including through project prioritization, procurement options analysis, PPP screening, and value-for-money analysis.

15. **Output 2: City credit-rating tool developed.** The TA will leverage the quantitative and qualitative factors from the country-level legal and regulatory framework (output 1a) and the city resource mobilization and creditworthiness framework (output 1b) to develop a credit-rating tool for cities in Asia and the Pacific. The tool will be continuously updated to include overriding factors and caps to establish this credit rating. The application of the tool as part of output 4 and the resulting credit profile will guide the partner city's strategy to meet infrastructure needs through sound public financial management.

16. **Output 3: Cities' capacity to implement quality infrastructure strengthened.** The output will support technical and managerial capacity building of senior city leadership in partner cities in areas such as procurement of quality infrastructure, healthy city planning, and city leadership.<sup>18</sup> Capacity building in socially, economically, and financially relevant areas such as tourism, social housing, asset-recycling, gender and inclusiveness, and land value capture could also be supported under this output.

17. **Output 4: Partner city action plans developed to support early-stage quality infrastructure investment pipelines.** This output will support the application of the above frameworks and tools in partner cities, across their finance, budgeting and planning departments, to identify (i) a pipeline of prioritized QII; (ii) strategy and sector reforms to enhance subnational resource mobilization to implement this prioritized pipeline; and (iii) a set of recommendations to improve the enabling environment for developing quality municipal infrastructure.<sup>19</sup> Under this output, partner cities' action plans will be developed to help these cities improve their public investment management and effectively leverage development partner support. The action plans will provide the roadmap for these cities to increase their competitiveness and resilience and close the gap for quality infrastructure investments.

18. **ADB experience:** From 2009 to 2019, nearly \$19 billion in ADB loans and TA had some upstream PPP component, helping DMCs establish PPP laws and policies; PPP units; project selection, approval, and management guidelines; and fiscal risk management frameworks. More

<sup>17</sup> This framework will, to the extent possible, leverage ongoing initiatives including SOURCE (<https://public.sif-source.org/source/>) and the World Bank's PPP screening tool.

<sup>18</sup> This capacity building will leverage ongoing initiatives from organizations like APMG's PPP Certification Program, Investors Leadership Network (ILN), Global Center on Adaptation, the Stanford Global Projects Center, the Stanford Leaderships Academy for Development, and the Asian Development Bank Institute.

<sup>19</sup> Following preliminary discussions with and an evaluation of the partner city, the TA will provide each partner city with the services of a quality infrastructure planner, a PPP specialist, a municipal finance expert, and, if needed, a credit ratings expert to build capacity and implement output 4.

than 80% of this support was at the national level. This TA project will leverage this upstream assistance to move the focus to subnational resource mobilization and PPPs. The TA will capture substantial lessons from the Asia Pacific Project Preparation Facility and the Office of Public–Private Partnership Transaction Advisory Services, wherein most municipal projects need government support to become bankable and attractive to the private sector.

19. **Early-stage assistance.** Early stage assistance under the TA to help cities identify, prioritize, and screen investment portfolios complements the project-preparation focus of ADB-managed project preparation trust funds like the Cities Development Initiative for Asia, the Pacific Project Preparation Facility, the ASEAN Australia Smart Cities Fund, and transaction technical assistance. This early-stage work will show DMCs the benefits of operationalizing QII Principles. This approach can also identify reform programs and opportunities for DMC-specific sector development programs, local entities, and other regional assistance programs.

20. **ADB’s value addition—knowledge, finance, and partnerships.** It is estimated that Asia and the Pacific will have more than 200 large cities by 2030.<sup>20</sup> To develop reach and scale, the TA will employ standardized frameworks and knowledge products with the aim of bringing them online, if feasible. The frameworks and associated capacity development will support a strong One ADB approach to partnering with select cities to disseminate good practices for QII, assess municipal financial management capacity, identify barriers to boosting private sector participation, and develop partner city action plans. With substantial experience in quality infrastructure, municipal finance, PPPs, and urban development in the region, ADB is well-positioned to drive this process.

## C. Cost and Financing

21. The TA is estimated to cost \$1,789,000, of which (i) \$307,000 will be financed on a grant basis by ADB’s Technical Assistance Special Fund (TASF 6), and (ii) \$1,482,000 will be financed on a grant basis by TASF-other sources. The key expenditure items are listed in Appendix 2.

## D. Implementation Arrangements

22. ADB will administer the TA. The Public–Private Partnership Thematic Group (PPP TG) will be responsible for the administration and supervision of the TA. PPP TG will select, supervise, and evaluate consultants; organize workshops; and provide staff to act as resource persons in the workshops. Partner cities will be engaged by PPP TG in close coordination with ADB regional departments, resident missions, and the DMCs. PPP TG will continuously monitor and evaluate the TA project’s progress against the proposed outputs and outcomes. In line with the project’s strong One ADB approach, the team members will meet at least once annually to review accomplishments and discuss the work program going forward.

23. The implementation arrangements are summarized in the table.

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<sup>20</sup> A large city is defined as a city with a population of at least 1 million people.

### Implementation Arrangements

Aspects	Arrangements		
Indicative implementation period	October 2020–December 2025		
Executing agency	ADB		
Implementing agency	Public-Private Partnership Thematic Group		
Consultants	To be selected and engaged by ADB		
	Firm selection: QCBS	Technical Firm (1 each for 3 pilot cities) (48 person months)	\$952,000
	Firm selection: QCBS	Legal firm (1 each for 3 pilot cities) (11 person months)	\$240,000
	Firm selection: QCBS	Capacity building firm (8 person months)	\$104,000
	Firm selection: QCBS	Website development and management firm (12 person months)	\$101,000
Disbursement	The TA resources will be disbursed following ADB's <i>Technical Assistance Disbursement Handbook</i> (2020, as amended from time to time).		

ADB = Asian Development Bank, ICS = individual consultant selection; QCBS = quality- and cost-based selection.  
Source: Asian Development Bank.

24. **Consulting services.** ADB will engage the consultants following the ADB Procurement Policy (2017, as amended from time to time) and its associated staff instructions.<sup>21</sup>

25. **Social media and websites.** A website will be set up to promote QII principles, sound public finance, and/or healthy city planning. PPP TG will maintain the website after TA closing.

## E. Governance

26. To maintain the integrity of the credit-rating tool, consistency and objectivity in assignment of ratings, and confidentiality of partner city information, and reduce the likelihood of any potential conflict of interest, this tool will be owned by the Office of Risk Management.

## IV. THE PRESIDENT'S DECISION

27. The President, acting under the authority delegated by the Board, has approved the provision of technical assistance not exceeding the equivalent of \$1,789,000 on a grant basis for Creating Investable Cities in Post-COVID-19 Asia-Pacific—Enhancing Competitiveness and Resilience through Quality Infrastructure, and hereby reports this action to the Board.

<sup>21</sup> Terms of Reference for Consultants (accessible from the list of linked documents in Appendix 3).



## DESIGN AND MONITORING FRAMEWORK

Impact the TA is Aligned with Increase in municipal QII. (ADB Strategy 2030) <sup>a</sup>			
Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting Mechanisms	Risks
<b>Outcome</b> Capacity for early-stage identification and preparation of quality infrastructure increased.	<p>By 2025, at least 1 partner city established a TA-supported process for operationalizing quality infrastructure, including use of value-for-money and PPP screening tool. (2020 baseline: 0)</p> <p>By 2025, at least 1 partner city established a TA-supported process or department for preparing PPPs and integrating them in the public investment management process. (2020 baseline: 0)</p> <p>By 2025, at least 1 partner city obtained private sector capital and expertise for TA-initiated municipal infrastructure projects. (2020 baseline: 0)</p>	<p>Partner city interviews, and review of procedures, documents, laws, and information from other sources, such as Blue Dot Network and SOURCE.</p> <p>Partner city interviews, and review of procedures, documents, and laws.</p> <p>Financial closing for a TA-screened municipal PPP.</p>	<p>Delays related to COVID-19</p> <p>Deterioration of the government's fiscal situation</p> <p>Weakening of government political support for PPPs</p> <p>Business-unfriendly decisions of the government</p>
<b>Outputs</b> 1. Frameworks to improve cities' ability to implement QII developed.  2. City credit-rating tool developed.  3. Cities' capacity to implement quality	<p>1a. By 2025, 3 frameworks developed or adopted to evaluate a city's ability to mobilize resources. (2020 baseline: 0)</p> <p>1b. By 2025, PPP-screening and value-for-money tools to help cities evaluate potential PPP projects developed or adopted. (2020 baseline: 0)</p> <p>2a. By 2025, 1 ADB-proprietary city credit rating tool developed or adopted. (2020 baseline: 0)</p> <p>3a. By 2025, capacity building support on planning and procuring quality municipal</p>	<p>1a. PPP TG reporting</p> <p>1b. PPP TG reporting</p> <p>2a. PPP TG reporting/ DMC report</p> <p>3a. PPP TG reporting/ DMC report</p>	<p>Delays related to COVID-19</p> <p>Weakening of government political support for PPP</p> <p>Delays caused by unforeseen lack of data, vested interests, or weak capacity</p>

infrastructure strengthened.	infrastructure provided to at least 3 cities (2020 baseline: 0)		
	3b. By 2025, at least 1 TA-supported capacity building program brought online. (2020 baseline: 0)	3b. Website monitoring report	
4. Partner city action plans developed to support early-stage QII pipelines.	4a. By 2025, at least 3 cities developed TA-supported partner city action plans identifying quality infrastructure to improve their competitiveness and resilience. (2019 baseline: 0)	4a. Partner city reporting	
	4b. By 2025, at least 1 partner city prepared and publicized a TA-initiated quality infrastructure projects for procurement. (2020 baseline: 0)	4b. Partner city interviews, newspapers, and information from other sources such as Blue Dot Network and SOURCE.	
<b>Key Activities with Milestones</b> <ol style="list-style-type: none"> <li><b>Frameworks to improve cities' ability to implement QII developed.</b> <ol style="list-style-type: none"> <li>1.1. Develop legal and institutional frameworks for select DMCs in cooperation with ADB regional departments, resident missions, SDCC, and OGC (Q1 2021–Q4 2023)</li> <li>1.2. Develop resource mobilization and creditworthiness framework in cooperation with ADB regional departments, resident missions, SDCC, and OGC (Q1 2021–Q4 2023)</li> <li>1.3. Develop quality infrastructure framework in cooperation with USG and GOV-TG (Q3 2020–Q4 2025)</li> </ol> </li> <li><b>City credit-rating tool developed.</b> <ol style="list-style-type: none"> <li>2.1. Develop credit-rating tool for cities in cooperation with ORM (Q1 2021–Q4 2023)</li> </ol> </li> <li><b>Cities' capacity to implement quality infrastructure strengthened.</b> <ol style="list-style-type: none"> <li>3.1. Develop technical and managerial capacity building and knowledge products for planning and procuring quality infrastructure (Q1 2021–Q4 2023)</li> <li>3.2. Implement capacity building for procuring quality municipal infrastructure (Q1 2021–Q4 2023)</li> <li>3.3. Implement capacity building for livable cities (Q1 2021–Q4 2023)</li> </ol> </li> <li><b>Partner city action plans developed to support early-stage QII pipelines.</b> <ol style="list-style-type: none"> <li>4.1. Identify select partner cities in consultation with ADB regional departments, resident missions, OPMP, and DMCs (Q1 2021–Q4 2025)</li> <li>4.2. Provide technical support to develop quality municipal infrastructure pipeline (Q1 2021–Q4 2025)</li> </ol> </li> </ol>			
<b>Inputs</b> ADB: \$1,789,000			

**Assumptions for Partner Financing**

Not Applicable

<sup>a</sup> ADB. 2018. Strategy 2030: Achieving a Prosperous, Inclusive, Resilient, and Sustainable Asia and the Pacific. Manila.

ADB = Asian Development Bank, COVID-19 = coronavirus disease, DMC = developing member country, GOV TG = Governance Thematic Group, OGC = Office of General Counsel, OPSP = Office of Public–Private Partnership, ORM = Office of Risk Management, PPP = public–private partnership, Q = quarter, PPP TG = PPP Thematic Group, TA = technical assistance, USG = Urban Sector Group.

Source: Asian Development Bank.

**COST ESTIMATES AND FINANCING PLAN**

(\$'000)

<b>Item</b>	<b>Amount</b>
<b>A. Asian Development Bank<sup>a</sup></b>	
1. Consultants	
a. Remuneration and per diem	
i. International consultants	850.0
ii. National consultants	77.0
b. Out-of-pocket expenditures	
i. International and local travel	336.0
ii. Surveys	30.0
iii. Reports and communications	30.0
iv. Miscellaneous administration and support costs	36.0
v. Others	38.0
2. Training, seminars, workshops, forums, and conferences <sup>c</sup>	
a. Facilitators	43.0
b. Travel cost of ADB staff acting as a resource person	50.0
c. Venue rental and related facilities	100.0
d. Participants	124.0
e. Representation	50.0
3. Contingencies	25.0
<b>Total</b>	<b>1,789.0</b>

ADB = Asian Development Bank.

Note: The technical assistance (TA) is estimated to cost \$1,789,000, of which contributions from the Asian Development Bank are presented in the table.

<sup>a</sup> Financed by ADB's Technical Assistance Special Fund TASF 6 and TASF-other sources.

<sup>b</sup> Administered by ADB.

<sup>c</sup> Includes travel cost of ADB staff acting as resource persons, venue rental and related facilities, travel of participants, ADB (Budget, People, and Management Systems Department and Strategy, Policy, and Partnerships Department). 2013. Use of Bank Resources: Regional Technical Assistance and Technical Assistance vs. Internal Administrative Expenses Budget. Memorandum. 26 June (internal).

Source: Asian Development Bank estimates.

### **LIST OF LINKED DOCUMENTS**

<http://www.adb.org/Documents/LinkedDocs/?id=54036-001-TARreport>

1. Terms of Reference for Consultants

### **Supplementary Documents**

2. G20 Principles for Quality Infrastructure Investment
3. Outline of Selection Criteria for Cities