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The Asian Development Bank (ADB), which is headquartered in the Philippines, is one of the country’s largest sources of official development assistance, with average annual lending of $1.9 billion over the 5 years to 2020. The bank’s support is aligned with the Philippine Development Plan 2017–2022 and the Government of the Philippines’ Long-Term Vision for the Philippines (AmBisyon Natin 2040).

Since 1966, ADB has committed public sector loans, grants, and technical assistance totaling $26.4 billion to the Philippines. Cumulative loan and grant disbursements to the Philippines amount to $20.1 billion. These were financed by regular and concessional ordinary capital resources, and other special funds.

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to address viral outbreaks and provide universal health care.

ADB also provided more than $8 million in grants and technical assistance in the early months of the pandemic, including the delivery of food baskets to 162,000 vulnerable households in Metro Manila. The funds also helped procure equipment and supplies to build a new COVID-19 laboratory in Pampanga province, helping raise COVID-19 testing capacity for vulnerable communities in northern Philippines.

A $500 million loan was committed in 2020 to expand ADB’s long-term support for the country’s conditional cash transfer program, which is helping millions of Filipino families send their children to school and keep them healthy. ADB also provided $500 million to allow the Philippines quick access to emergency financing in the event of disasters triggered by natural hazards or public health emergencies.

Overall, ADB’s annual lending to the Philippines reached a record high of $4.2 billion in 2020. This included policy-based loans to support the country’s conditional cash transfer program, which is helping millions of Filipino families send their children to school and keep them healthy. ADB also provided $500 million to allow the Philippines quick access to emergency financing in the event of disasters triggered by natural hazards or public health emergencies.

PARTNERSHIPS

Strong development partner coordination in 2020 allowed immediate delivery of assistance for urgent COVID-19 response. ADB’s $1.5 billion support under the COVID-19 Active Response and Expenditure Support Program was complemented by $1.4 billion from the Asian Infrastructure Investment Bank and the Japan International Cooperation Agency.

ADB and the Japan International Cooperation Agency have maintained their partnership in supporting priority projects under the “Build, Build, Build” (BBB) infrastructure program, while the World Bank is ADB’s partner in supporting the government’s conditional cash transfer program.

The governments of Australia, Canada, and France are active cofinanciers in various programs and projects, including public–private partnership reforms, youth employment programs, local governance reforms, and flood risk management projects.

ADB continues to participate in policy dialogue and coordinates with government agencies on development issues, including approaches to deal with the socioeconomic impacts of COVID-19 and the direction of development assistance in Mindanao.

### Philippines: Evaluation Results for Sovereign and Nonsovereign Operations, 2011–2020

<table>
<thead>
<tr>
<th>Total Number of Validated and Evaluated Projects and Programs</th>
<th>Evaluation Ratings</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Sovereign Operations 18</td>
<td>Highly successful 10</td>
</tr>
<tr>
<td>- Nonsovereign Operations 8</td>
<td>Highly successful 6</td>
</tr>
</tbody>
</table>

Note: The figures indicate the number of sovereign and nonsovereign operations in the country that have been validated or evaluated by the IED and their overall performance ratings. The coverage consists of all validated or evaluated project completion reports and extended annual review reports circulated by ADB within the 10-year period from 1 July 2010 to 30 June 2020. See evaluations related to the Philippines.

### Philippines: Ordinary Capital Resources Nonsovereign Commitments by Product

<table>
<thead>
<tr>
<th>No. of Transactions Signed</th>
<th>2019</th>
<th>2016–2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Number of Transactions Signed (Programs)</td>
<td>1</td>
<td>8</td>
</tr>
<tr>
<td>- Loans</td>
<td>–</td>
<td>67.72</td>
</tr>
<tr>
<td>- Equity Investments</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>- Guarantees</td>
<td>–</td>
<td>168.15</td>
</tr>
<tr>
<td>- Trade and Supply Chain Finance Program and Microfinance Program</td>
<td>0.14</td>
<td>0.94</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>0.14</td>
<td>236.81</td>
</tr>
</tbody>
</table>

Note: The figures indicate the number of transactions signed in 2019 and 2016–2020.

### Philippines: Portfolio Performance Quality Indicators for Sovereign Lending and Grants, 2019–2020

<table>
<thead>
<tr>
<th>Cofinancing</th>
<th>No. of Projects</th>
<th>Amount ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sovereign</td>
<td>19</td>
<td>4,525.26</td>
</tr>
<tr>
<td>Loans</td>
<td>8</td>
<td>4,492.26</td>
</tr>
<tr>
<td>Grants</td>
<td>3</td>
<td>15.00</td>
</tr>
<tr>
<td>Technical Assistance</td>
<td>8</td>
<td>18.00</td>
</tr>
<tr>
<td>Nonsovereign</td>
<td>3</td>
<td>177.27</td>
</tr>
</tbody>
</table>

### Philippines: Projects Cofinanced, 1 January 2016–31 December 2020

- **No. of Ongoing Loans** (as of 31 Dec 2020)
  - 24
  - 2019: 210.83
  - 2020: 2,175.31

- **Disbursements**
  - 951.51
  - 2019: 4,440.03

- **At Risk Projects** (as of 31 Dec 2020)
  - 6
  - 2019: 3.00

Note: The figures indicate the number of ongoing loans and disbursements during the year.

* Based on commitments.
* Includes closed loans/grants that had contract awards or disbursements during the year.
* Excludes policy-based, results-based, and financial intermediation/credit loans and grants.
* Includes only Asian Development Fund and other ADB special funds.
World Bank for three investment projects. The Asian Infrastructure Investment Bank, the Japan International Cooperation Agency, and the Nations Infrastructure Fund, the Japan Association of Southeast Asian Infrastructure Investment Bank, the Philippines have received a total of $1.53 billion loan cofinancing from the World Bank. In 2020, the Philippines received a total of $1.13 million for three technical assistance projects.

Nonsovereign cofinancing commitments for the Philippines have amounted to $7.91 billion for 62 investment projects and $104.19 million for 68 technical assistance projects. Nonsovereign cofinancing such as B loans, risk transfer arrangements, parallel loans and equity, guarantee, cofinancing, and cofinancing for transactions under ADB’s Trade and Supply Chain Finance Program and Microfinance Program are provided in the form of loans and grants, technical assistance, and other services (JV) = joint venture, TRA = transport, WUS = water and other urban services.

FINANCING PARTNERSHIPS
Financing partnerships enable ADB’s financing partners, governments or their agencies, multilateral financing institutions, and commercial organizations to participate in financing ADB projects. The additional funds are provided in the form of loans and grants, technical assistance, and other nonsovereign cofinancing such as B loans, risk transfer arrangements, parallel loans and equity, guarantee, cofinancing, and cofinancing for transactions under ADB’s Trade and Supply Chain Finance Program and Microfinance Program.

ADB began cofinancing operations in the Philippines in 1972. Since then, sovereign cofinancing commitments for the Philippines have amounted to $7.91 billion for 62 investment projects and $104.19 million for 68 technical assistance projects. Nonsovereign cofinancing for the Philippines has amounted to $961.26 million for 11 investment projects and $1.13 million for three technical assistance projects.

In 2020, the Philippines received a total of $1.53 billion loan cofinancing from the Asian Infrastructure Investment Bank, the Association of Southeast Asian Nations Infrastructure Fund, the Japan International Cooperation Agency, and the World Bank for three investment projects.

A summary of projects with cofinancing from 1 January 2016 to 31 December 2020 is available at www.adb.org/countries/philippines/cofinancing.

PROCUREMENT
Each year, ADB provides loans, grants, and technical assistance to fund projects and activities in its developing member countries and several billion dollars in contracts to procure goods, works, and consulting services. Most contracts are awarded on the basis of international competition, which is open to firms and individuals from all ADB member countries.

Share of ADB’s Procurement Contracts

**Goods, Works, and Related Services**
ADB’s procurement contracts in Asia and the Pacific for goods, works, and related services under loan, grant, and technical assistance operations totaled $756.72 million in 2019 and $732.11 million in 2020. Cumulative procurement since 1966 has been $14.13 billion covering 67,086 contracts.

For consultants from the Philippines, 8,510 contracts worth $543.63 million have been awarded since 1966.

**Consulting Services**
ADB’s procurement contracts in Asia and the Pacific for consulting services under loan, grant, and technical assistance operations totaled $756.72 million in 2019 and $732.11 million in 2020. Cumulative procurement since 1966 has been $14.13 billion covering 67,086 contracts.

For consultants from the Philippines, 8,510 contracts worth $543.63 million have been awarded since 1966.

**Operational Challenges**
ADB’s annual lending to the Philippines has increased in recent years, mainly due to the bank’s support for the government’s BBB infrastructure program. Government spending on infrastructure reached nearly 5% of gross domestic product in 2018. Despite the impacts of the COVID-19 pandemic, the government expects to keep infrastructure spending close to the 2018 level over the next few years. Given the wide array of infrastructure projects under the BBB program, government agencies’ capacity to roll out such large and complex plans will need to be further strengthened. ADB is supporting the government in this area through loans, grants, and technical assistance. The bank is working closely...
with the government to enhance the technical and institutional capacities of national and local agencies and staff; improve interagency coordination; and strengthen partnerships among the government, private sector, and development partners.

**FUTURE DIRECTIONS**

ADB's country partnership strategy for the Philippines, 2018–2023 supports infrastructure investment, local economic development, and increased social investments in the bottom 40% of the population.

ADB will focus investments on infrastructure, health, and employment recovery to help the government address the impacts of the COVID-19 pandemic. Under its country operations business plan, 2021–2023, ADB will help the government reinvigorate the private sector and the labor market, accelerate economic recovery, and expand access to public health services. More than 52% of projected financing will be invested in transportation projects, while about 12% will help expand the public health system. The business plan also includes support for youth school-to-work transition and skills development, environmentally sustainable projects that increase local economic activity, expanded social protection, increased agriculture competitiveness, better public sector management, and more developed capital markets.

### ABOUT THE PHILIPPINES AND ADB

**ADB Membership**

Joined 1966

**Shareholding and Voting Power**

Number of shares held: 252,912 (2.377% of total shares)
Votes: 292,026 (2.196% of total membership, 3.372% of total regional membership)

*Overall capital subscription: $3.64 billion
*Paid-in capital subscription: $182.15 million

*United States dollar figures are valued at rate as of 31 December 2020.

Carlos G. Dominguez is the Governor and Benjamin Diokno is the Alternate Governor for the Philippines in ADB.

Noor Ahmed is the Director and Paul Dominguez is the Alternate Director representing the Philippines on the ADB Board of Directors.

Kelly Bird is the ADB Country Director for the Philippines. The Philippines Country Office was opened in 2001 and provides the primary operational link for activities between ADB and the government, the private sector, civil society stakeholders, and development partners. The country office engages in policy dialogue, country partnership strategy development and programming, and portfolio management, while also acting as a knowledge base on development issues in the Philippines.

The Philippine government agency handling ADB affairs is the Department of Finance.

### ABOUT THE ASIAN DEVELOPMENT BANK

ADB is a multilateral development bank owned by 68 members, 49 from Asia and the Pacific and 19 from other parts of the world. ADB’s main instruments for helping its developing member countries are policy dialogue, loans, equity investments, guarantees, grants, and technical assistance. In 2020, lending volume was $26.9 billion (149 projects), with technical assistance at $293.56 million (275 projects) and grant-financed projects at $1.08 billion (62 projects). In addition, $16.41 billion was generated for sovereign and nonsovereign cofinancing in the form of loans and grants, B loans, risk transfer arrangements, guarantee cofinancing, parallel loans, parallel equity, and cofinancing for transactions under ADB’s Trade and Supply Chain Finance Program and Microfinance Program. From 1 January 2016 to 31 December 2020, ADB’s annual lending volume averaged $19.69 billion. In addition, investment grants and technical assistance funded by ADB and Special Funds resources averaged $805.5 million and $230.81 million respectively over the same period. As of 31 December 2020, the cumulative commitments excluding cofinancing were $323.17 billion in loans for 3,369 projects in 44 countries, $11.3 billion in 495 grants, and $5.01 billion in technical assistance grants, including regional technical assistance grants.

Notes:
Figures are estimated by ADB unless otherwise stated. "$" refers to United States dollars.
Data are updated as of 31 December 2020 unless otherwise indicated.

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Fax: +63 2 8526 8474

**Useful ADB websites**

Asian Development Bank
www.adb.org

Annual Report
www.adb.org/documents/series/adb-annual-reports

Asian Development Outlook
www.adb.org/publications/series/asian-development-outlook

ADB Data Library
data.adb.org