



# 2024 DEVELOPMENT EFFECTIVENESS REVIEW



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# Contents

<b>Scorecards and Related Information</b>	<b>v</b>
<b>Tables, Figures, and Boxes</b>	<b>vi</b>
<b>Abbreviations</b>	<b>vii</b>
<b>Overview of ADB's Suite of Annual Corporate Performance Reports</b>	<b>viii</b>
<hr/>	
<b>Introduction</b>	<b>1</b>
<hr/>	
<b>Performance Highlights</b>	<b>4</b>
<hr/>	
<b>1 Regional Development Progress</b>	<b>12</b>
<hr/>	
<b>2 Strategic Alignment and Progress on Strategy 2030 Targets and Priorities</b>	<b>24</b>
A. DEVELOPMENT FINANCE MOBILIZED AND TRANSFERRED	26
B. PROGRESS ON STRATEGY 2030 TARGETS AND PRIORITIES	26
C. IN FOCUS	27
<hr/>	
<b>3 Sovereign Operations</b>	<b>38</b>
A. READINESS AT DESIGN STAGE	40
B. IMPLEMENTATION PERFORMANCE	40
C. PERFORMANCE OF COMPLETED OPERATIONS	40
D. IN FOCUS	41
<hr/>	
<b>4 Nonsovereign Operations</b>	<b>49</b>
A. SCALING UP AND STRATEGIC FIT	51
B. PERFORMANCE AT IMPLEMENTATION	51
C. PERFORMANCE OF COMPLETED OPERATIONS	52
D. IN FOCUS	52
<hr/>	

<b>5</b>	<b>Organizational Effectiveness</b>	<b>59</b>
A.	ORGANIZATIONAL SYSTEMS AND PROCESSES	61
B.	ORGANIZATIONAL CAPACITY	64
<hr/>		
<b>6</b>	<b>Actions to Address Challenges</b>	<b>71</b>
A.	ACTIONS TO ADDRESS 2023 CHALLENGES	72
B.	ONGOING AND NEW CHALLENGES FOR 2025 AND BEYOND	74
<hr/>		
<b>Appendixes</b>		
1	STRATEGIC ALIGNMENT INDICATORS AND TARGETS UNDER CORPORATE RESULTS FRAMEWORK, 2025–2030	77
2	ADB DEVELOPING MEMBER COUNTRIES	79
3	PERFORMANCE SCORECARD	82
<hr/>		
<b>Endnotes</b>		<b>130</b>



# Scorecards and Related Information

<b>SIGNALS AND SCORING METHODS</b>	<b>83</b>
Results Framework Indicators Level 1: Signals	84
Results Framework Indicators Level 2–4: Signals for 2019–2023	84
Results Framework Indicators Level 2–4: Signals for 2024	85
Results Framework Indicators Level 2–4: Composite Signals	85
Results Framework Indicators Level 2–4: Scoring Methods for 2019–2023	85
Results Framework Indicators Level 2–4: Scoring Methods for 2024	86
<b>RESULTS FRAMEWORK INDICATORS</b>	<b>88</b>
LEVEL 1: Development Progress in Asia and the Pacific	89
LEVEL 2: Results from Completed Operations	91
LEVEL 3: ADB’s Operational Management	97
LEVEL 4: ADB’s Organizational Effectiveness	101
<b>TRACKING INDICATORS</b>	<b>103</b>
LEVEL 1: Development Progress in Asia and the Pacific	104
LEVEL 2: Results from Completed Operations	108
LEVEL 3: ADB’s Operational Management	120
LEVEL 4: ADB’s Organizational Effectiveness	128
<b>ANNEXES</b>	
1. ADB Corporate Results Framework, 2019–2024	
2. Midterm Review of ADB’s Corporate Results Framework, 2019–2024	
3. Results Framework Indicator Definitions	
4. Tracking Indicator Definitions	
5. Technical Note on the Development Effectiveness Review Rating System	

# Tables, Figures, and Boxes

## TABLES

1	Levels 2–4 Signals for 2024 Explained.....	3
A1	Strategic Alignment Indicators and Targets under Corporate Results Framework, 2025–2030.....	78
A2.1	ADB Developing Member Countries.....	80
A2.2	2024 Classification of ADB Developing Member Countries .....	81

## FIGURES

1.1	Poverty Rate in Developing Asia.....	14
1.2	Carbon Dioxide Emissions, Absolute and Per Unit of Economic Activity .....	17
1.3	Worldwide Governance Index for Developing Member Countries, 2023 .....	19
1.4	Regional Cooperation and Integration Index for Developing Member Countries, 2022 .....	20
2.1	ADB Operations Supporting Climate Action, 2019–2024 .....	27
2.2	ADB Sectors Contributing to Climate Finance, 2024.....	28
2.3	Support for Women and Girls in ADB Operations, 2019–2024 .....	30
2.4	ADB Operations Supporting Women and Girls by Classification, 2019–2024.....	31
2.5	Share of Health and Education Financing in ADB Commitments, 2019–2024.....	32
2.6	Long-Term Cofinancing for Nonsovereign Operations, 2019–2024 .....	35
3.1	ADB Sovereign Operations Rated Successful by Sector Grouping, 2016–2024.....	42
3.2	ADB Operations Rated Successful by Sector, 2017–2024 .....	42
3.3	Success Rate of ADB Operations by Criterion, 2017–2024 .....	45
3.4	Success Rates of Concessional Assistance and Operations in FCAS and SIDS.....	48
4.1	Nonsovereign Operation Commitments, 2017–2024.....	52
4.2	Success Rate of Nonsovereign Operations, 2019–2024 .....	55
4.3	Success Rates of Nonsovereign Operations by Investment Type, 2017–2024.....	56
4.4	Satisfactory Ratings of Nonsovereign Operations by Criterion, 2017–2024 .....	57
4.5	Ratings Downgrades for Completed Nonsovereign Operations, 2019–2024 .....	58
5.1	Sovereign Procurement Processing Time.....	62
5.2	Staff Rating ADB as Providing an Enabling Culture for Strategy 2030, 2024 .....	68
5.3	ADB Clients' Perception .....	69

## BOXES

2.1	ADB's Glaciers to Farms Program .....	29
3.1	Increasing Variance Between Self-Assessment and Validation Ratings .....	47
4.1	Supporting Farmers' Long-Term Livelihoods Through Resilient Value Chains .....	54
5.1	Implementation of Phase 2 of the New Operating Model.....	61
5.2	Business Process Reforms Improving the Processing Efficiency of Sovereign Operations .....	63
5.3	ADB's Digital Capacity Building Programs.....	65

# Abbreviations

ADB	Asian Development Bank
ADF	Asian Development Fund
AI	artificial intelligence
ANR	agriculture, natural resources, and rural development
COVID-19	coronavirus disease
CPRO	COVID-19 Pandemic Response Option
CRF	corporate results framework
DEfR	development effectiveness review
DMC	developing member country
DMF	design and monitoring framework
EGM	effective gender mainstreaming
FCAS	fragile and conflict-affected situation(s)
GBV	gender-based violence
GDP	gross domestic product
GEN	gender equity theme
ICT	information and communication technology
IED	Independent Evaluation Department
IT	information technology
MSMEs	micro, small, and medium-sized enterprises
NSO	nonsovereign operation
O&M	operation and maintenance
PBL	policy-based lending
PEF	project equity fund
PPP	public-private partnership
PSM	public sector management
RBL	results-based lending
RCI	regional cooperation and integration
SDG	Sustainable Development Goal
SGE	some gender elements
SIDS	small island developing state(s)
TA	technical assistance
WUS	water and other urban infrastructure and services

# OVERVIEW OF ADB'S SUITE OF ANNUAL CORPORATE PERFORMANCE REPORTS

The Asian Development Bank (ADB) prepares a suite of three complementary yet distinct corporate performance reports annually. All three reports share the common goals of learning from experience and being accountable to ADB shareholders and other stakeholders. This overview summarizes the unique focus, purpose, and value addition of each report. It maps their common areas of focus to direct readers to information about common topics.

	FOCUS	PURPOSE AND VALUE ADDITION
<b>Annual Evaluation Review</b>	<p>Required by the Board of Directors, the Independent Evaluation Department (IED) produces this report to promote accountability and learning. The report focuses on the operational performance and results of ADB, synthesizes the evaluations prepared by IED in the preceding year, and provides an in-depth analysis of performance trends of completed operations. It includes a special topic to strengthen results and reports on Management's acceptance and implementation of IED recommendations</p>	<p>The Annual Evaluation Review consolidates issues and lessons from independent evaluations.</p>
<b>Development Effectiveness Review</b>	<p>The review is Management's flagship report on ADB's performance in achieving the priorities of its corporate strategy, using indicators in the corporate results framework as the yardstick. Focusing on operations financed by ADB, it assesses the bank's development effectiveness, highlights actions taken to improve, and identifies areas where ADB's performance needs to be strengthened.</p>	<p>The findings provide the Board of Directors and ADB Management with performance information to guide ADB's strategic and operational directions and resource planning.</p>
<b>Annual Portfolio Performance Report</b>	<p>The report provides a strategic overview and analysis of the performance trends, size, composition, and quality of ADB's active portfolio based on key indicators. It includes all operations and projects, including those funded by special funds and cofinancing fully administered by ADB. It identifies key issues, actions taken by departments to support improvement, and lessons for future ADB interventions.</p>	<p>The report provides Management with evidence-based findings grounded in an in-depth analysis—including by region—of ADB's portfolio of active committed sovereign and nonsovereign operations and projects.</p>



**Water, at last.** The ADB-supported Khulna Water Supply Project provided Kajol Begum of Khulna City her first metered water connection (photo by Mohammad Rakibul Hasan).

# Introduction

1. The 2024 Development Effectiveness Review (DEfR) is the 18th annual performance report of the Asian Development Bank (ADB). The DEfR is based on ADB's corporate results framework, a management tool used to track and monitor ADB's progress in implementing its corporate strategy. Preparing the DEfR is ADB's annual review and reflection exercise. This yearly process enables it to spot and analyze trends in corporate effectiveness, identify underlying issues, and develop actions to improve. DEfR findings inform ADB's operational directions and resource planning through the President's planning directions and the 3-year corporate work program and budget framework process.
2. The 2024 DEfR continues the practice of using signals to communicate performance. However, the report's main body is organized by themes to reflect the corporate results framework, 2019–2024.
3. **Understanding performance signals.** The use of arrows and check mark symbols and green, amber, and red signals to illustrate the status of performance continues in the 2024 DEfR. These signals indicate the direction of change for Level 1 indicators, and performance against 2024 targets for the indicators in levels 2–4. Performance on some indicators is monitored rather than scored. In these cases, arrow signs indicate any improvement or deterioration, but no color signals are assigned. Table 1 summarizes the signals for indicators in levels 2–4.
4. **Where to find performance results.** The Performance Highlights section and the scorecard at the back of the report summarize performance on all indicators across the four levels of the corporate results framework. The scorecard explains each performance signal.
5. **Thematic structure.** The 2024 DEfR is divided into five thematic chapters that group indicators according to the priorities and overall objectives of Strategy 2030. An infographic introduces the theme at the beginning of each chapter. Performance signals and key related data are then provided graphically alongside brief commentaries on overall thematic performance followed by deeper examination of particular areas and notable results. The thematic chapter on regional development context (Chapter 1) covers all Level 1 indicators and relevant indicators from levels 2 and 3. The four other thematic chapters cluster and discuss results for indicators from levels 2–4 according to theme.
6. **Reporting key ADB actions.** ADB has a system to identify and monitor actions for improvement and undertook important actions during 2024 to address major performance challenges identified in the 2023 DEfR. Actions to address challenges that remain relevant to Strategy 2030 priorities are summarized in the closing section.
7. **Complementing the two other ADB corporate performance reports.** The DEfR complements and refers to the two additional corporate performance reports ADB prepares each year: the Annual Portfolio Performance Report prepared by the Procurement, Portfolio, and Financial Management Department, and the Annual Evaluation Review prepared by the Independent Evaluation Department. An overview of the focus and purpose of each review is illustrated in a diagram at the beginning of this report.

**Table 1: Levels 2–4 Signals for 2024 Explained**

Scoring Method	Signal	Annual Change <sup>a</sup>
<i>At or above target</i> —performance at or above target	✓	
<i>Below target, but within 1% buffer zone</i>	🟡	
<i>Below target</i> —performance fell short of target	🔴	
<i>Monitor</i> —no performance assessment	↗	Improved
	↔	Remained constant
	↘	Deteriorated

<sup>a</sup> An arrow indicates a significant (3%) change from previous performance.



**Training women in technical courses.** ADB supported the Skills Training and Education Training Upgradation Pathways Project in Punakha Central School in Bhutan (photo by Neil Hickey).

## Performance Highlights

## A. PROGRESS ON REGIONAL DEVELOPMENT INDICATORS

### Level 1: Development Progress in Asia and the Pacific

#### 8. Complex challenges for a region in transition.

The current development landscape in Asia and the Pacific is evolving rapidly, with complex challenges threatening progress toward the Sustainable Development Goals. At the same time, the region is poised to benefit from emerging opportunities associated with digital transformation and the energy transition. Most Level 1 indicators show slow and uneven progress. Where up-to-date data are not yet available, supplementary sources and projections provide a fuller picture of development progress in Asia and the Pacific.

#### 9. Rise in income disparity and multidimensional poverty.

The region has seen a slowdown in poverty reduction. Income poverty rates are highest in the Pacific and South Asia. Multidimensional poverty is a significant issue, particularly in low- and lower-middle-income countries, and often driven by low rates of educational enrollment and poor sanitation. In addition, while poor and vulnerable people contribute least to environmental degradation, they tend to be among those most adversely affected by climate-related and geophysical hazards.

#### 10. Unequal access to basic services.

Most countries across the region have significantly expanded access to basic services, but wide gaps exist in access to social protection, health care, financial services, and education, especially in rural areas. Only half of the population in the region is covered by at least one social protection benefit despite its rapidly aging demographic. Inequality for women and girls continues to affect economic growth and social stability.

#### 11. Record-breaking temperatures affect livelihoods and food security.

The year 2024 was the hottest on record. The region increasingly contributes to this trend, as it accounts for 60% of global greenhouse gas emissions and 59% of the

global material footprint. Rising temperatures, extreme weather, and geophysical hazards affect millions of people, and an increasing number of deaths are attributed to climate-related and geophysical events. Extreme weather events are a major cause of persistent food insecurity, compounded by conflicts and the high cost of living. The region still accounts for half the world's population suffering severe food insecurity, and more women than men remain food insecure.

12. **Urban air pollution.** Despite improvement in regional average air quality, many cities continue to suffer some of the most severe air pollution in the world. Substantial local and transboundary emissions have serious consequences for public health and negative effects on food production and agricultural livelihoods.

13. **Continued environmental degradation.** A lack of adequate response to curb environmental degradation is reflected in deficient progress toward environmental targets, none of which are expected to be achieved by 2030. Negotiations toward a global agreement on plastic pollution are underway and especially relevant to Asia and the Pacific, which is responsible for over 80% of plastic waste in the oceans and the origin of almost half of all plastic produced globally.

14. **Regional gross domestic product (GDP) growth, projected at 4.9% in 2024, exceeding the global rate of 3.2%.** East Asian growth is supported by global demand for artificial intelligence (AI) semiconductors, and tourism drives growth in the Pacific. The energy transition will increase opportunities for employment. Significant improvement in the ratio of tax revenue to GDP has been observed in ADB developing member countries (DMCs), but external debt as a percentage of national income remains high.



15. **Digital opportunities.** Digital transformation is projected to grow significantly, with global spending expected to more than double from 2020 to 2025. A key area of growth in the region is the integration of digital innovation into education, e-governance, digital finance, and climate action. AI, big data, and geospatial technologies are increasingly used in disaster management and environmental protection.

16. **Strong trade performance contributing to greater integration.** Asia and the Pacific outperformed global averages for both exports and imports, fueled by regional economic recovery and consequently higher consumer spending and investment. These improvements in trade and investment, and in the movement of people, have contributed to greater regional integration.

## B. ADB'S ACHIEVEMENTS IN 2024

### Level 2: Results from ADB's Completed Operations

#### Strategy 2030 Development Results

17. **Strong achievement of development outcomes.** The corporate results framework (CRF), 2019–2024 includes outcome indicators for measuring the outcomes of ADB's sovereign and nonsovereign operations and technical assistance. In 2024, completed ADB operations overall delivered 80% or more of their expected results for all 22 indicators for which results were expected. Key results include (i) 23.1 million individuals gaining access to improved health and education services, as well as enhanced social protection; (ii) 9.5 million poor and vulnerable people enjoying better access to water supply, sanitation services, infrastructure, and financing for small and medium-sized enterprises (SMEs); (iii) 52.8 million urban residents benefiting from upgraded services such as solid waste management, sanitation and drainage systems, green public transport, affordable treated water supply, and improved road network; (iv) 16.9 million rural inhabitants experiencing improved road connectivity, connection to reliable water and electricity supply, and reduced flood risks; (v) 12.4 million women and girls becoming more resilient to disasters and other shocks, including pandemics; (vi) 50.2 million metric tons of carbon dioxide equivalent emissions reduced annually through highway expansions, road constructions, clean energy use, and construction of sustainable urban transport systems; and (vii) \$2.9 billion in trade and investment facilitated through financing provided to farmers, the government's food security and price stability program, and enhanced border crossings.

#### Sovereign Operations Performance

18. **Marginal decline in overall success rate.** The success rate of the sovereign portfolio declined slightly from 70% in reporting period 2021–2023 to 68% in 2022–2024. The success rate of infrastructure sectors—which account for 64% of all completed projects—was 59%, while that of non-infrastructure sectors was 84%. The drop in overall sovereign operations performance reflected several internal and external factors, both country-specific and external. Projects completed in the last 3–4 years saw their implementation and results affected by a range of external shocks including the coronavirus disease (COVID-19) pandemic, Russia's war in Ukraine, trade disruption, and disasters triggered by natural hazards, all of which affected project efficiency, effectiveness, and sustainability.

19. **Wide disparity in sector success rates.** Disparity in performance occurred across sectors, with health, education, public sector management, and industry and trade enjoying success rates above 85%, while finance, transport, agriculture and natural resources, and water and urban services had success rates below 65%. Whereas social sectors benefit from a system-strengthening approach and the enhanced use of results-focused modalities such as results-based lending, policy-based lending, and sector development programs, the success of infrastructure projects continued to be affected by implementation challenges such as delayed land acquisition, permits, and construction; resettlement problems; and

weak counterpart capacity. Other factors beyond ADB's control continued to affect the performance of infrastructure projects: technical and financial sustainability challenges arising from dependence on state or government transfers, clients' inability to secure funds for operation and maintenance (O&M) from low tariffs, uncertain viability gap funding, and weak technical capacity to manage assets.

#### 20. Mixed results across success criteria.

Completed operations continued to do best on *relevance* among the four criteria that determine sovereign project success. Performance on *relevance* was steady at 86% in reporting period 2022–2024, and *efficiency* improved by 1 percentage point to 69%. On the other hand, *sustainability* ratings dropped by 1 percentage point to 63%, and *effectiveness* slipped by 4 percentage points to 68% in 2022–2024 after improving over three reporting periods, from 63% in 2018–2020 to 72% in 2021–2023. COVID-19 pandemic effects continued to weigh on *effectiveness* and *sustainability* ratings for sovereign operations, having hindered procurement and consultant recruitment, caused delays that left some project outputs and outcomes only partly achieved, and reduced estimated economic benefits.

#### 21. Legacy operations weighing on portfolio performance.

The overall success rate of the sovereign portfolio was severely undermined by older operations, some designed and approved as early as 2004. Sovereign operations designed and approved before 2014 had a success rate of only 54%, while those designed since 2014 had a much higher success rate of 82%. This trend, which is evident across all sectors and regions, points to improved project design and project management in recent years and indicates improved success ratings in future.

#### 22. Delayed project completion reflects implementation challenges in DMCs.

ADB improved the share of projects completed *on time* in reporting period 2022–2024 by 2 percentage points to 34%, but still short of the 2024 target of 45%. An average delay of 3 years was caused by problematic contractor or consultant performance, changes in project scope, slow provision of counterpart funds,

drawn-out liquidation, and inadequate assessment of project complexity and subsequently the time taken for implementation. Weak institutional capacity in counterpart agencies in DMCs contributed to delays, budget overruns, and quality issues. The Pacific region faced severe travel restrictions for 2 years in response to COVID-19, which delayed a number of operations in the region.

#### Nonsovereign Operations Performance

##### 23. Slight decline in success rate at completion, with external factors contributing to challenges.

While the nonsovereign operations (NSOs) demonstrated strong achievements in scaling up the portfolio, the share of completed NSOs rated *successful* in reporting period 2022–2024 declined slightly, from 56% in 2021–2023 to 54%. Infrastructure investments, which had a success rate of 63%, contributed the largest number of successful nonsovereign projects, whereas relatively poor performance of investments in financial institutions and private equity funds stymied the overall nonsovereign success rate. Most projects completed in the current reporting period had implementation periods that largely overlapped with significant systemic challenges including an uneven global economic recovery from the COVID-19 pandemic, and volatility in commodity prices, global supply chains and interest rates.

##### 24. More recently approved projects performing better.

As with sovereign operations, the success rate of completed NSOs is weighed down by legacy projects. Success rates for more recently approved projects have been higher than for older projects. NSOs approved before 2017 had an average success rate of only 36%, while those designed and approved since 2017 achieved a success rate of 67%.

##### 25. Improvement in success criteria.

Three of the four criteria used to assess the success of NSOs either improved or remained unchanged. The rating for *additionality* improved to 69%, *investment profitability* to 68%, and *work quality* to 59%, while the rating for *development results* declined by 4 percentage points after improving for five consecutive reporting periods.



**26. Steps taken to address challenges faced by legacy private equity fund investments.** ADB's investments in private equity funds suffer from issues related to selection and screening, changes in and poor management by fund managers, and strategy drift arising from weak monitoring and supervision. In recent years, ADB has taken concrete steps to address some

of these issues by improving selection and screening of fund managers, strengthening monitoring and supervision of consistency with investment mandates, and initiating corrective action plans to counter direct or indirect consequences of the pandemic and macroeconomic challenges.

## Level 3: ADB's Operational Management

### *Mobilization and Transfer of Development Finance*

**27. ADB's lending up in 2024.** ADB approved \$20.3 billion across 178 operations in 2024, with year-end commitments reaching \$24.3 billion. This included \$21.3 billion committed to sovereign and nonsovereign project loans and grants, \$2.2 billion committed under the private sector program, and \$298 million committed for technical assistance. The number of operation commitments also rose—by 38%, from 140 in 2023 to 193 in 2024—underscoring robust demand from clients for ADB's technical and funding support. Commitments for policy-based lending and results-based lending grew significantly, with policy-based lending rising by 18% to \$7.2 billion, and results-based lending by 42% to \$1.8 billion.

**28. Increased concessional financing and support.** ADB scaled up its support for groups A and B member countries, committing to 114 operations in them worth a total of \$10.7 billion. This represented an increased share of 49% of annual commitments in countries eligible for concessional assistance. Support for DMCs in fragile and conflict-affected situations and in small island developing states also saw a significant boost as funding reached \$1.6 billion in the last year of the 13th replenishment of the Asian Development Fund (ADF13), a 75% increase from 2023.

**29. Sovereign disbursement rate target exceeded.** ADB maintained a strong project disbursement rate of 106% in 2024, consistently surpassing the 90% annual target for nearly the entire 6-year implementation period of Strategy 2030. Actual disbursement for projects and results-based

lending reached \$10.0 billion, exceeding the initial projection of \$9.2 billion.

**30. Record high nonsovereign cofinancing.** Nonsovereign cofinancing achieved a record high of 245% in reporting period 2022–2024, far exceeding the 2024 target of 200%. Long-term nonsovereign cofinancing jumped by nearly 50% in 2024 to reach \$5.7 billion, with cofinancing from transaction advisory services increasing by 360%. Blended finance continues to be a key part of ADB's cofinancing strategy, catalyzing private capital markets and making projects bankable.

**31. Health financing above the 2024 target range.** ADB committed \$1.12 billion to health financing, slightly surpassing the CRF target range of 3%–5%. Though a decline from the previous year's \$2.2 billion, investments notably in India, Mongolia, and Uzbekistan targeted health system reform, universal coverage, and maternal and child health services.

**32. Education financing down but signaling growth with a robust pipeline.** Education financing fell to its lowest since 2019, dropping to 2.45% of total commitments as shifts in government leadership caused delays. However, a rebound is expected in 2025 as slippages from 2024 are realized and new initiatives aim to enhance the quality, accessibility, and relevance of education are committed. The International Finance Facility for Education (IFFEd), launched in 2024, is expected to further expand the education sector portfolio by leveraging grants and guarantees that reduce the cost of education sector borrowing for eligible DMCs and catalyze up to \$2 billion in new lending for education.



### Alignment with Strategy 2030 Priorities

**33. Climate financing increase reflective of growing demand from DMCs.** ADB committed \$11.1 billion in climate finance from own resources in 2024 to meet growing demand from the DMCs, with the share surpassing 50% of total commitments for the first time. This 13% growth year on year brought ADB's cumulative climate financing since 2019 to \$41.9 billion. ADB used a range of innovative financial instruments to incorporate sustainability solutions in its sovereign and nonsovereign operations across sectors, taking the share of non-infrastructure sectors in climate financing up to roughly 25%, and that of nonsovereign commitments to 14.4% in 2024.

**34. Continued support to address issues faced by women and girls.** ADB made strong strides in mainstreaming its support for women and girls, with the share of ADB operation commitments classified as *gender equity theme* (GEN) or *effective gender mainstreaming* (EGM) rising another 3 percentage points in reporting period 2022–2024 to 91%, with ADB surpassing the 2024 target of 50% for a sixth consecutive year. Projects categorized GEN, EGM, or *some gender elements* (SGE) reached 100%. Over the Strategy 2030 period, ADB has expanded its support in the region through approaches that have aimed to improve women and girls' access to services and resources. Moving forward, ADB is further raising ambition to promote more transformative approaches that contribute directly to women's empowerment and address harmful social norms, through an updated gender categorization system launched in 2025.

**35. Significant scaling up of NSOs.** ADB committed to a record high of 58 NSOs in 2024, up from 40 in 2023. While this 45% increase improved the share of NSOs as a percentage of all ADB commitments from 29% in 2023 to 30% in 2024, it remained short of the 2024 target of 33%. In terms of volume, ADB's NSO commitments increased by 52%, from \$1.7 billion in 2023 to \$2.6 billion. A combination of actions aimed to strengthen client engagement, and business process reforms led to efficiency gains that enabled more transactions to be processed.

**36. Continued focus on expanding NSOs in frontier markets and nontraditional sectors.** Of ADB's 58 NSO commitments in 2024, 19 were in frontier economies, and 20 were in sectors that are relatively challenging but have a high potential for development impact. This brought the share of NSO commitments in these two categories to 59%, above the 2024 target of 55%.

**37. Expanded social protection.** ADB committed to 12 social protection operations in 2024, for a 50% increase from the previous year. These efforts strengthen systems to support vulnerable populations and provide essential services in DMCs, notably Bangladesh, Pakistan, and the Lao People's Democratic Republic.

### Design and Implementation Quality

**38. Project readiness targets missed.** Despite making a lot of progress in improving the readiness of its projects over the CRF 2019–2024 period, ADB fell short of the 2024 target for design and procurement readiness. The share of infrastructure projects that were design ready at Board approval was 77% in 2024, against a target of 80%, and procurement readiness was 55%, against a target of 60%. ADB operations—particularly those in countries eligible for concessional assistance—continue to face challenges, including start-up delays, problems with safeguards, and staffing issues. This underscores the need for measures to strengthen project preparation, such as introducing new financial incentives, flexible terms, and a shift toward focusing on implementation readiness to support high-quality project development. The regulatory environment in some countries in East Asia and Southeast Asia, where advance procurement action is disallowed, contributed to the shortfall in target achievement.

**39. Strong implementation of active portfolio.** Implementation quality in the active sovereign and nonsovereign portfolio further improved. The quality of ADB's sovereign portfolio implementation improved, with 68% of projects rated *on track*. Disbursement and output indicators performed well, which improved



overall project performance ratings. The nonsovereign portfolio also improved strongly, with the share of NSOs *at risk of not achieving development results* dropping to 11%, 6 percentage points lower than in 2023 and well below the 20% threshold. Challenges

like delayed implementation and legacy issues have been addressed through proactive client outreach and capacity strengthening, heightened focus on development effectiveness, and continued support for updating project design and monitoring frameworks.

## Level 4: ADB's Organizational Effectiveness

### Organizational Systems and Processes

**40. Improved representation of women in the workforce.** Female representation in international staff reached a high of 40.3%. Female representation increased across levels, driven by a 43.9% share of female international staff appointments, and a decline in female international staff attrition.

**41. Improved procurement efficiency.** The portion of high-value transactions with processing time within the target time frame of 40 days or less improved by 3 percentage points, rising from 69% in 2023 to 72%, though still short of the 80% target. To address this challenge and support the implementation of ADB's new operating model, procurement and financial management specialists were strategically deployed across countries, regions, and sectors, and staff capacity-building efforts continued.

**42. Budget utilization remains on target.** The unutilized rate of ADB's internal administrative budget in 2024 was 4.6%, slightly higher than in 2023 but still within the target of 5.0% or less. This achievement reflects proactive budget oversight and strong interdepartmental coordination, effectively managing the uncertainties of the first full year of the new operating model. Throughout the year, the 2024 budget was closely monitored and analyzed to support the recalibration of departmental budget baselines for 2025 and beyond.

### Organizational Capacity

**43. Strengthened on-ground presence for enhanced country engagement.** ADB increased the number of international and national staff positions in field offices from 628 in 2023 to 696 in 2024. Growth was driven by the successful recruitment and placement of national staff in various field offices under

the Workforce Rebalancing Framework and as part of the decentralization efforts under the new operating model. About 70 international staff were outposted from the Sectors Group, Private Sector Operations Department, Office of Safeguards, and Procurement, Portfolio, and Financial Management Department through expressions of interests to opportunities under the new operating model. Notably, ADB also increased staff presence in DMCs facing fragile and conflict-affected situations and small island developing states, adding 11 new positions to increase staff strength from 95 in 2023 to 106 in 2024. These efforts aim to strengthen country engagement by having more staff positioned closer to clients, to better tailor solutions to DMCs' unique operating and policy contexts.

**44. Strengthened institutional capability through digital transformation.** With 53 new digital products delivered in 2024, the number delivered since 2019 has risen to 314. These digital interventions have modernized ADB's processes, improved operation delivery, strengthened data-driven decision-making, and introduced new and innovative ways of working across the organization, including the use of AI. ADB has embraced the transformative power of AI and implemented various AI tools to improve ADB's productivity and efficiency. As a result, staff perception of ADB's effectiveness in digital transformation reached 78% in 2024, surpassing the 75% target.

**45. Continued efforts needed to strengthen corporate culture toward enabling Strategy 2030.** In the 2024 Staff Engagement Survey, 65% of the 3,516 staff respondents agreed that ADB promotes a culture that supports Strategy 2030 implementation. Compared with the 2018 survey, significant improvements were noted in sustainable engagement;



collaboration; ethics and integrity; belonging; innovation; and alignment with goals, objectives, and ADB values. Conducted a year after the launch of the new operating model, the survey highlights staff's strong belief in ADB's mission and values, as well as a continued sense of belonging despite substantial organizational changes.

**46. Stronger client perception of development effectiveness, responsiveness, and collaboration with development partners.** The 2024 Client Perception Survey showed a large majority of ADB's clients value its contribution, with 77% of clients expressing satisfaction with ADB's *development effectiveness*, defined as satisfaction with ADB efforts to help their countries achieve development results; ADB's *responsiveness*; and ADB's *collaboration with development partners*. The new operating model's shift to new ways of working is further improving ADB's ability to be effective and responsive by enhancing proximity and dialogue with clients,

to better understand and respond to their needs through customized projects, programs, and technical assistance in pursuit of development effectiveness.

**47. Strengthening knowledge management for enhanced impact.** ADB is undertaking a midterm assessment of the Knowledge Management Action Plan, 2021–2025 in light of significant changes in the corporate landscape, including the new operating model, the midterm review of Strategy 2030, and advances in technology, particularly AI. The midterm review of Strategy 2030 emphasized the need for a comprehensive framework to govern knowledge management and thus enhance coordination, integrate initiatives, and streamline knowledge management systems and business processes. To address knowledge fragmentation, ADB initiated the first phase of Knowledge Navigator, an AI-powered digital knowledge platform; introduced enterprise taxonomy; identified information architecture gaps; and created a road map to make ADB's content AI ready.



**All in a day's work.** Bakers preparing bread and other products at the Kutaisuri Tkbileuli store, a small enterprise owned by Nana Dvali, 57, a women entrepreneur in Kutaisi, Georgia (photo by Ariel Javellana).

# CHAPTER 1

# Regional Development Progress

**48. Region facing complex challenges.** Progress in Asia and the Pacific toward the Sustainable Development Goals (SDGs) has been set back by cascading crises characterized by geopolitical conflict, unsettled economic prospects, increasingly severe impacts from extreme heat and destructive weather, and the lingering effects of the coronavirus disease (COVID-19) pandemic, particularly in low-income countries. Despite steady gross domestic product (GDP) growth, these shifts in the development landscape are contributing to a rise in multidimensional poverty and inequality. Further, 2024 was the hottest year on record and featured increasingly frequent and intense extreme weather events.

**49. People, planet, and prosperity.** Approval of the midterm review of Strategy 2030 in 2024 laid a foundation for more direct reporting on ADB's development results, focused on the interlinked thematic areas of people, planet, and prosperity—which are reflected in the structure of the corporate results framework, 2025–2030. This chapter on regional development progress adopts these focus areas to describe broad development trends reported in Asia and the Pacific in 2024. The chapter refers to the external context; it does not assess ADB's own performance or contribution to regional development progress, with no intended attribution or direct link to results achieved. In a rapidly evolving global and regional development landscape, this contextual backdrop sets the scene for the annual Development Effectiveness Review (DEfR).<sup>1</sup>

## PEOPLE



### Number of people living in poverty

Extreme poverty → **164 million**

Moderate poverty → **765 million**



Slowed and uneven poverty reduction persists. Nonmonetary measures reveal increasing inequality.



Despite contributing the least to environmental degradation, people living in poverty are the most affected.



Inequality in access to basic services.

Only half of the population in Asia and the Pacific is covered by at least one social protection benefit.



Rapid demographic transition, with social and economic consequences.

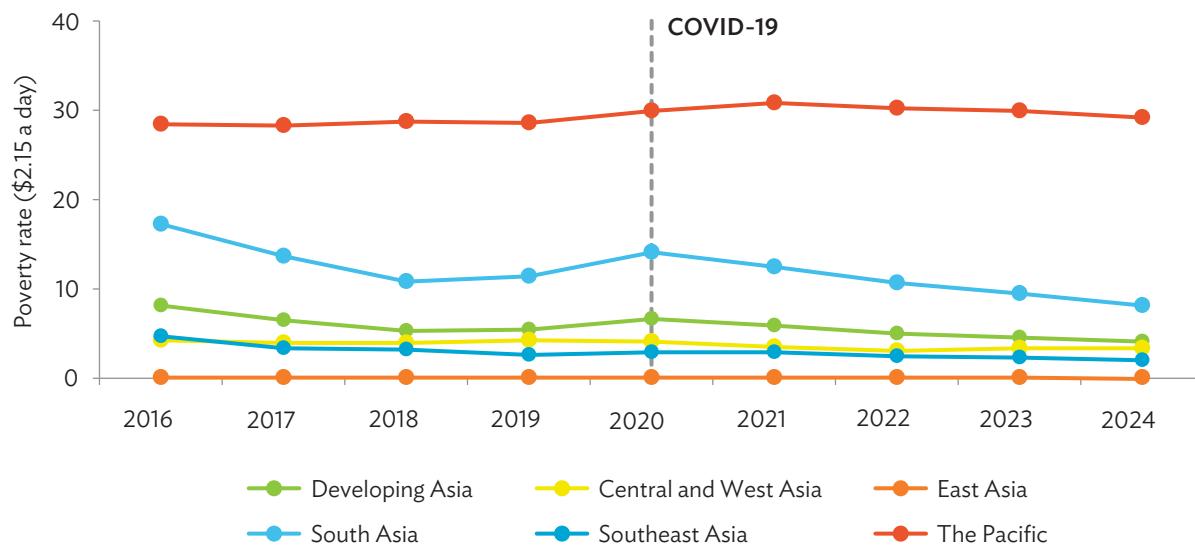


Accelerated regional and cross-sector efforts are needed to narrow gender gaps.



**50. Global poverty reduction slowed to near standstill during the past 5 years.** The magnitude of extreme poverty in developing member countries (DMCs), defined as individuals living on \$2.15 a day, and of moderate poverty, on \$3.65 a day, continued to decline in 2021 and 2022, if only marginally, and is thought to have declined further in 2023 and 2024, though much more slowly than before the pandemic (Figure 1.1). In the region, the poverty

rate is highest in the Pacific, followed by South Asia. Household expenditure remains low but improved slightly from 2020 to 2021, including in DMCs eligible for concessional assistance. Progress in narrowing the prosperity gap has stalled since the pandemic, with the widest gap in South Asia. This slowdown in inclusive income growth reflects a lack of socioeconomic mobility, which hinders prospects for inclusive growth and poverty reduction over time.<sup>2,3</sup>

**Figure 1.1: Poverty Rate in Developing Asia**

COVID-19 = coronavirus disease.

Source: Asian Development Bank (Economic Research and Development Impact Department).

51. Meanwhile, measuring poverty in monetary terms alone can underestimate its prevalence, as people's well-being can be undermined by a wide range of factors such as undernourishment; child mortality; inadequate schooling; pollution; and lack of access to electricity, clean cooking fuels, basic sanitation, drinking water, housing materials, and other assets. The global multidimensional poverty index indicates that large segments of the population have been left behind, particularly in low- and lower-middle-income developing countries in Asia and the Pacific. In South Asia, for example, multidimensional poverty is significantly greater than monetary poverty, driven by low rates of educational enrollment and attainment, and by poor sanitation.<sup>3</sup> While most countries in Asia and the Pacific significantly expanded access to basic services, wide gaps persist between people furthest behind and those furthest ahead: a fourfold gap in tertiary education attendance, a threefold gap in internet usage, and a twofold gap in access to clean fuels.<sup>4</sup>

52. While poor and vulnerable people have contributed the least to environmental degradation, they are often the ones most adversely affected.

Especially in low-income economies, communities with a higher prevalence of poverty are more vulnerable to droughts, floods, and unseasonal weather. An economic survey in Thailand and Viet Nam observed that people with less income lose more to natural hazards.<sup>5</sup>

53. **Lower access to services in rural areas.** A large gap persists in DMCs in the percentage of rural residents with access to basic services. It took more than 10 years for access to drinking water in rural areas to rise from 80% of the population in 2009 to 90%. In the Pacific region, only half of the rural population has access to drinking water, far below 92% of the urban population in 2022. Similarly, in 2022, only 79% of the rural residents in DMCs had access to basic sanitation services, compared with 91% of the urban population. As these disparities persist, they have significant consequences for public health, economic growth, and poverty reduction. Some progress has been achieved in access to financial and banking services in rural areas, notably by leveraging digital technology such as mobile banking, digital payments, and access to credit and insurance services.

#### 54. Digital connectivity as an opportunity.

Despite almost universal coverage of mobile broadband, half of the region's population is unable to take advantage of digital technology for lack of affordability, skills, or immediate relevance to their lives and livelihoods. While every region of developing Asia has improved its digital connectivity in recent years, Southeast Asia and East Asia have made more progress than others. South Asia and Central and West Asia lag in broadband internet access, and Pacific Island states are among the least connected countries. Even where digital connectivity is available, many do not have the skills necessary to use it, as available data show that only 40% of people in the region have basic digital skills.<sup>6</sup> Fewer women and girls own devices and use new digital technologies than do boys and men, particularly in low- and middle-income countries. In South Asia, women are 70% less likely than men to own a smartphone. Women and girls without digital access are excluded from knowledge, employment opportunities, networks, products, services, and benefits that the internet provides.<sup>7</sup>

**55. Low access to social protection, health care, and education.** Only half of the population in Asia and the Pacific is covered by at least one social protection benefit, a slight improvement since 2015, when only a third was covered. Older people are the most likely to enjoy some coverage, and the least likely are unemployed people, followed by children.<sup>8</sup> This gap largely reflects underinvestment, which hinders the potential of social protection systems to address life cycle risk.<sup>9</sup> On the universal health-care coverage service index, DMCs scored 67.38 in 2021, and those eligible for concessional assistance scored 53.32, a 3-point improvement over 2015.<sup>10</sup> Meanwhile, young people's access to education or training has improved since 2020 in DMCs, including those eligible for concessional assistance. The DMC graduation rate from lower secondary education is recovering from a dip in 2022, restored to 90% or better in 2023.

#### 56. Looming demographic transition.

Developing Asia is the fastest-aging region in the world, with 1.3 billion people expected to be over 60 in 2050. The region's economic dependency ratio—the number of dependent adults over the number of workers—is projected to rise from 0.72 in 2020 to 0.90 in 2050, for almost one dependent person per worker. By 2042, the number of people aged 65 and above will be greater than the youth population aged 14 or less.<sup>11</sup> This demographic transition has far-reaching social and economic consequences. Most importantly, an aging workforce reduces productivity and has fewer people entering the workforce than retiring, thus depleting contributory pension systems. Women face unique challenges in an aging population, as they often have less access to pensions and social security systems, and they often bear primary responsibility for providing care to older people.

#### 57. Persistent challenges for women and girls.

Global progress in equality for women and girls has made strides, but significant gaps across various regions remain, affecting economic growth, social stability, and overall development. Despite improvement in education and legal reform, the pace of change is insufficient, as discriminatory legal frameworks and some entrenched social norms continue to affect women and girls. Legal frameworks that promote, enforce, and monitor equality and discourage discrimination on the basis of sex exist in only about half the countries in Asia and the Pacific.<sup>12</sup> Further, 74.7% of the regional workforce is exposed to extreme heat, a figure well above the global average. While both men and women suffer from heat, women often face greater challenges because of their socioeconomic position.<sup>13</sup> As inequality in labor force participation worsened in recent years, access for women and girls to higher education remained persistently low, especially in the STEM fields of science, technology, engineering, and mathematics.

## PLANET



**Warmest year on record**

**About 1.55°C above preindustrial level**



**Asia and the Pacific contribution:**

Greenhouse gases **60%** Others 40%

Material footprint **59%** Others 41%

**In 2024, Deaths attributed to climate and geophysical hazards**

**5,273 people**



**Unusual weather patterns affect food security.**



**Severe air pollution persists in cities throughout Asia and the Pacific that could lead to health consequences.**

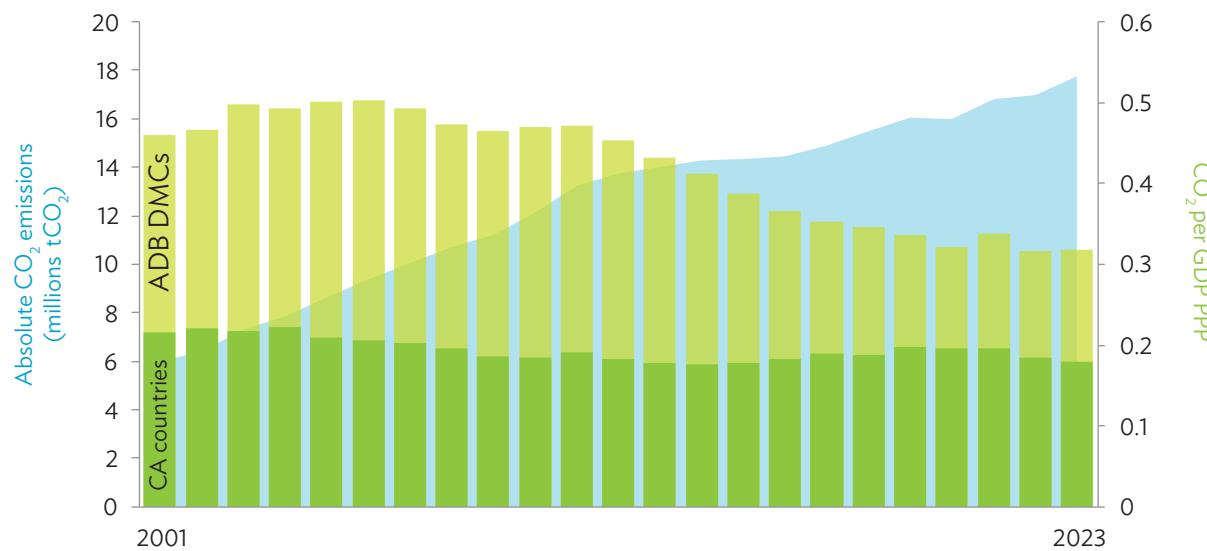
**Finance commitments for developing countries to 2035 are agreed at 2024 climate conference.**



**58. Hottest year on record.** According to six international datasets, 2024 was the hottest year on record. This has been a clear trend over the past decade, which saw an unprecedented series of record-breaking temperatures.<sup>14</sup> Temperatures in the region are increasing more quickly than the global average.<sup>15</sup> Meanwhile, the region accounts for about 60% of global greenhouse gas emissions,<sup>16</sup> and 59% of the global material footprint—material extracted to sustain human lives and economies globally—derives from this region.<sup>17</sup> These impacts result from the region being the world's factory and economic powerhouse. Benefits to prosperity notwithstanding, the region's economic activities can harm nature and ecosystems, as is evident in the overall lack of progress on SDG environmental targets.<sup>18</sup> The overall carbon emission intensity of all DMCs has increased, though emissions per unit of GDP in countries eligible for concessional assistance improved slightly from 0.184 kilograms per dollar in 2022 to 0.179 in 2023. In addition, total carbon emissions remain on an increasing trajectory (Figure 1.2). Rising temperatures, extreme weather, and disasters continue to affect millions of lives and livelihoods, with a high number of deaths attributed to climate-related and geophysical hazards. Renewable

energy capacity is on the rise, and Asia and the Pacific now generates nearly half of the world's renewable energy.<sup>19</sup>

**59. Food insecurity.** Extreme weather is a major reason food insecurity persists, other factors being conflicts and the high cost of living.<sup>20</sup> Hunger and undernourishment continue to plague the region, where more than 402 million people remain undernourished.<sup>4</sup> The region accounts for half the world's population suffering severe food insecurity, and more women than men remain food insecure.<sup>21</sup> Linked with multidimensional poverty, these numbers show an urgent need to make the region's agriculture and food systems more efficient, inclusive, resilient, and sustainable, so that more people can afford nutritious diets.<sup>22</sup> Stunting in children under 5 years of age has become marginally less prevalent, improving from 28.4% in 2021 to 27.6% in 2022 in countries eligible for concessional assistance, while remaining constant at 23.0% in DMCs as a whole. This positive trend has been observed globally for decades, though with regional differences. Stunting occurs mostly for lack of sufficient food intake, in particular food with growth-promoting nutrients, and from recurrent

**Figure 1.2: Carbon Dioxide Emissions, Absolute and Per Unit of Economic Activity**

ADB = Asian Development Bank, CA = concessional assistance, CO<sub>2</sub> = carbon dioxide, DMC = developing member country, GDP PPP = gross domestic product at purchasing power parity, tCO<sub>2</sub> = tons of carbon dioxide.

Source: Global Carbon Project (accessed 6 January 2025).

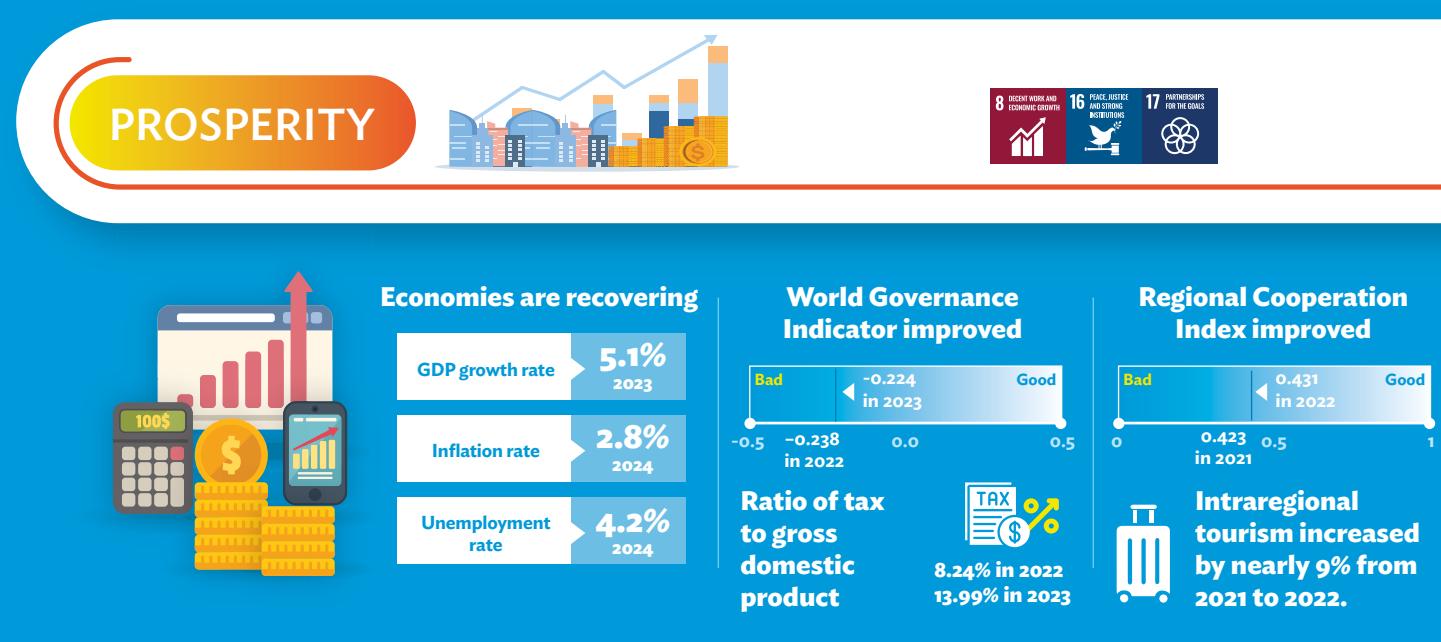
infection or chronic disease. At the current rate of improvement, Asia and the Pacific will fall short of its food security and nutrition SDG targets for 2030.<sup>23</sup>

**60. Air pollution.** Mean annual exposure to fine particulate matter 2.5 micrometers or smaller (PM 2.5), which can penetrate deeply into the lungs, improved in DMCs from 43.98 micrograms per cubic meter in 2019 to 37.88 in 2020, and from 42.74 to 36.65 in countries eligible for concessional assistance. While this is positive news, regional averages can obscure the reality that many cities in the region still have some of the worst air quality in the world.<sup>24</sup> South Asia and Southeast Asia in particular grapple with severe air pollution from substantial local emissions and transboundary air pollution,<sup>25</sup> imposing serious health consequences and negative effects on food production and agricultural livelihoods.<sup>26</sup> Notably, the People's Republic of China has managed to turn around a severe air quality crisis, with benefits for both public health and the global climate.<sup>27</sup>

**61. Progress on resilience, biodiversity, and the environment.** At the 29th Conference of the Parties (COP29) in November 2024 in Baku, Azerbaijan, parties agreed on a New Collective Quantified Goal on Climate Finance, with developed countries committing \$300 billion annually by 2035. This increase in finance recognizes that much greater financial commitment is needed to tackle challenges, necessitating the mainstreaming of climate investment into wider public and private finance flows.<sup>28</sup> Other notable developments include the establishment of a global architecture for carbon markets and pledges to increase energy storage globally to 1,500 gigawatts by 2030 and to scale up investment in more than 80 million kilometers of new or refurbished energy grids by 2040. Through a joint statement issued at COP29, ADB and other multilateral development banks projected \$120 billion in collective climate financing by 2030, and an additional \$65 billion mobilized from the private sector for low- and middle-income countries.<sup>29</sup>

62. The Conference of Parties to the Convention on Biological Diversity in Cali, Colombia, produced a commitment by developed countries to raise at least \$20 billion per year to 2030 toward filling a \$700 billion biodiversity finance gap. A new subsidiary body was created to strengthen the voice of Indigenous Peoples and local communities. Little progress has been made, however, toward implementing the Kunming–Montreal Global Biodiversity Framework, with only 44 of 196 parties,

or 22%, having produced new biodiversity plans.<sup>30</sup> A lack of adequate response to curb environmental degradation is reflected in deficient progress toward environmental targets, none of which are expected to be achieved by 2030. On the positive side, a political process toward a global agreement to tackle plastic pollution is underway.<sup>31</sup> It is especially relevant for this region, which is responsible for over 80% of plastic waste in the oceans and is the origin of almost half of all plastics produced globally.<sup>32</sup>



63. **Steady growth in developing Asia, with easing inflation.** Regional GDP was expected toward the end of last year to grow by 4.9% in 2024, exceeding the global growth rate of 3.2%.<sup>33</sup> In East Asia, growth was supported in part by global demand for semiconductors and strong exports of goods related to electronics and artificial intelligence (AI) from Taipei, China. The Caucasus and Central Asia is thought to have outperformed earlier expectations with 4.7% growth, bolstered by stronger domestic demand and remittances in some economies, as did the Pacific, with 3.4% growth driven by increased tourist arrivals. In South Asia, growth at 6.3% depended on solid expansion

in India, while growth in Southeast Asia was 4.7%, driven mainly by stronger manufacture exports, tourism, and public spending in the region's larger economies.<sup>33</sup> Growth in GDP per capita in developing Asia improved to 5.1% in 2023 and is projected to improve further in 2024, after a surge in 2021 following contraction in 2020 caused by COVID-19. Inflation had continued to ease toward its pre-pandemic average, but unstable rice prices could force up food inflation.<sup>33</sup>

64. **Employment, renewable energy, and digital transformation.** The unemployment rate in Asia and the Pacific is estimated at 4.2% in 2024 and

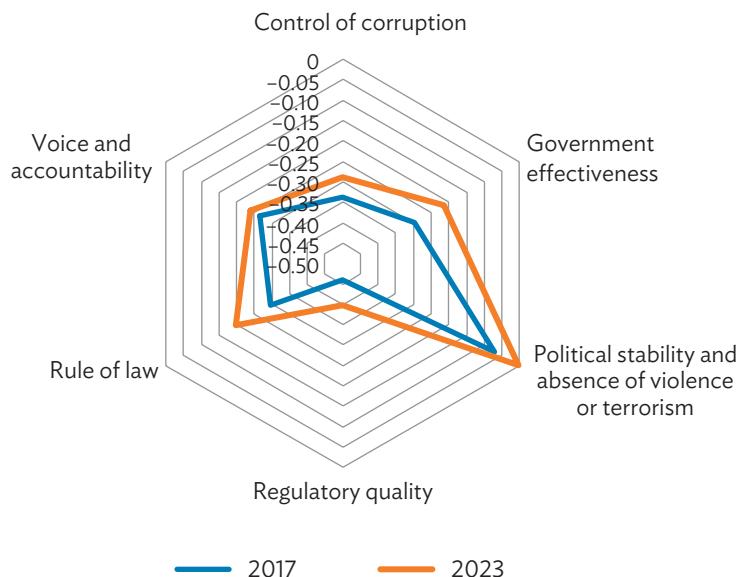
projected unchanged in 2025 and 2026.<sup>34</sup> The labor participation rate is stable at the 60th percentile with a marginal increase in 2024. The energy transition increases opportunities for employment, and Asia and the Pacific already has 10.5 million jobs in renewable energy, with the creation of many new jobs expected in the coming years. At the same time, significant job pressure is being felt in conventional energy sectors, with employment in nonrenewable energy steadily declining across much of the region. The International Labour Organization projects 6 million job losses globally in carbon-intensive sectors by 2030.<sup>35</sup> A skilled and adaptable workforce is critical, requiring countries to work toward ensuring access to training and reskilling, and securing basic incomes, adequate social protection, and health services for all.

65. Global spending on digital transformation is projected to more than double over 2020 levels to reach \$2.8 trillion in 2025, with Asia and the Pacific set to become the new sector hot spot. The promise of digital technologies in medicine and health care includes new applications for disease surveillance, drug discovery, clinical diagnostics, patient consultation and care through telemedicine, and health-system

management.<sup>6</sup> A key area of growth in the region is the integration of digital innovation with environmental and climate action. AI, big data, and geospatial technologies are increasingly used to inform efforts to build resilience.<sup>36</sup> Applications in other sectors are emerging, such as in education, where AI, machine learning, and big data are being used in the People's Republic of China to improve instructional quality, introduce digital literacy and coding at early age, and deliver personalized learning experiences. Other examples include improvements in e-governance systems, digital financial services, and market chains.

**66. Slight improvement in governance.** The average World Governance Index score for developing Asia and the Pacific improved slightly in 2023, reaching -0.224 for ADB DMCs overall and -0.250 for those eligible for concessional assistance (Figure 1.3).<sup>37</sup> Despite improvement in most of the six governance dimensions since 2017, the region continues to lag on regulatory quality, indicating a need to boost DMC capacity to formulate and implement sound policies and regulations that permit and promote private sector development. Government effectiveness dropped slightly with lower perceived quality of public service.

**Figure 1.3: Worldwide Governance Index for Developing Member Countries, 2023**



Source: World Bank. Worldwide Governance Indicators (accessed 6 January 2025).



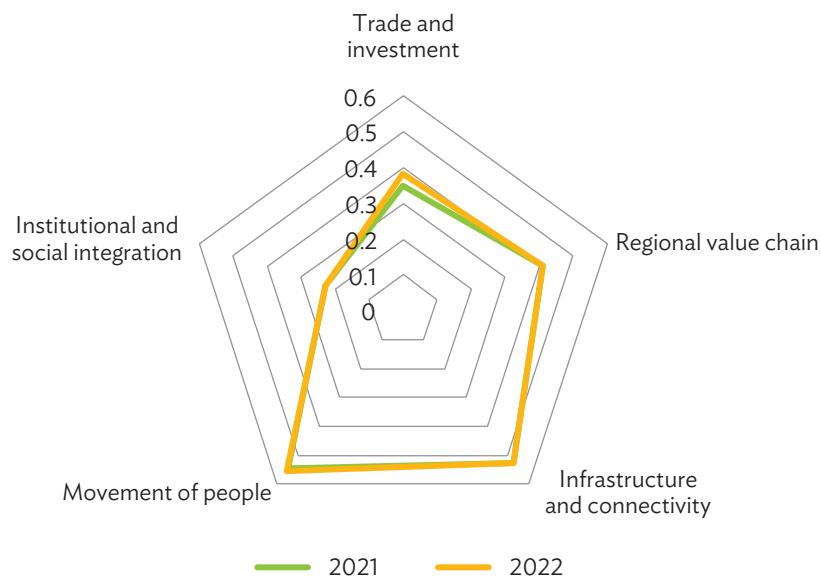
A fifth of ADB DMCs feature in the bottom 20% of countries across all six dimensions. Those in the Pacific such as Palau and Samoa, however, perform better on the index, placing above 50th percentile. In 2024, an unusually large number of DMCs carried out elections, with 20 of them holding general, assembly, or parliamentary elections.

**67. Tax revenue improving but low-income country debt rising.** Domestic resource mobilization remains crucial to the Pacific region in support of economic recovery and resilience.<sup>38</sup> Significant improvement in tax revenue as a percentage of GDP was observed in DMCs overall, from 8.24% in 2022 to 13.99% in 2023, and in countries eligible for concessional assistance, from 11.41% to 11.49%. However, ratios are still below the 15% threshold needed for countries to sustain development. Better administration and oversight of businesses are key and have been enhanced in the region over the past decade through more widespread digitalization.<sup>39</sup> In terms of government finance, most countries in Asia and the Pacific recorded fiscal deficits. External debt as a percentage of national income is still high,

ranging from 9% to 230%. In low-income DMCs, total debt continues to increase, with public debt as the largest share.<sup>40</sup>

**68. Regional integration strengthened.** The latest data from the Asia-Pacific Regional Cooperation and Integration Index show increased regional cooperation and integration in all DMCs and in countries eligible for concessional assistance, despite ongoing global challenges (Figure 1.4). Growth was driven primarily by improvement in trade and investment and in the movement of people. International trade faced headwinds from a downturn in merchandise trade exacerbated by inflation and geopolitical tensions, while intraregional trade in Asia expanded, reflecting stronger regional links.<sup>41</sup> Tourism in DMCs recovered strongly, with intraregional tourism increasing by nearly 9% from 2021 to 2022, with the highest growth in East Asia. Other dimensions—regional value chain, infrastructure and connectivity, and institutional and social integration—all improved slightly, with infrastructure and the movement of people remaining stable in countries eligible for concessional assistance.

**Figure 1.4: Regional Cooperation and Integration Index for Developing Member Countries, 2022**



Source: ADB. Asia-Pacific Regional Cooperation and Integration Index (accessed 13 February 2025).

**69. The region outperforming global averages in trade.** Exports continue to drive trade growth, especially to meet global demand for semiconductors, but demand from key export markets has slowed.<sup>42</sup> Merchandise trade expanded in 2024 along with broad economic recovery. Asia and the Pacific outperformed global averages, with exports increasing by 3.4% (against 1.8% growth globally) and imports by 3.6% (2.2% globally). Strong growth in import demand reflected regional economic recovery and higher

consumer spending and investment, while export growth was slower owing to only moderate global economic expansion. However, trade growth faces significant uncertainties, including tepid recovery in the major economies. Also in commercial service trade, Asia and the Pacific outperformed global trends, with export growth at 8.6%—driven primarily by recovery in travel services, which contributed 20.5% of the region’s exports of commercial services—and import growth at 6.2%.<sup>43</sup>

# Outcomes Delivered by ADB's Completed Operations, 2024



B = billion, K = thousand, M = million, tCO<sub>2</sub>e = ton of carbon dioxide equivalent.



**Time to learn.** Elementary students in Sainshand School No.2 benefited from educational toys and other teaching aids provided by a project with support from the Asian Development Bank (photo by Kevin Hamdorf).

## CHAPTER 2

# Strategic Alignment and Progress on Strategy 2030 Targets and Priorities

## DEVELOPMENT FINANCE



Sovereign disbursement rate  
(% of planned disbursement)

2024

**106%**



2023  
**110%**

Target  
90% annually  
until 2024

## PROGRESS ON STRATEGY 2030 TARGETS AND PRIORITIES



Operations classified gender equity theme or effective gender mainstreaming

2022-2024

**91%**



2021-2023  
88%  
Target  
50% by 2024



Operations supporting climate action

2022-2024

**91%**



2021-2023  
79%  
Target  
65% by 2024



Nonsovereign operations as a share of all ADB operations

2024

**30%**



2023  
29%  
Target  
33% by 2024

Operations classified gender equity theme, effective gender mainstreaming, or some gender elements

2022-2024

**100%**



2021-2023  
99%  
Target  
71% by 2024

Cumulative financing for climate action

2024

**\$41.9B**



2023  
\$30.8B  
Target  
\$35B by 2024

Nonsovereign cofinancing ratio (%)

2022-2024

**245%**



2021-2023  
230%  
Target  
200% by 2024

## INTERVENTIONS IN SOCIAL SECTORS



Financing for health  
(% of volume)

2024  
**5.22%**



Financing for education  
(% of volume)

2024  
**2.45%**

Operations supporting poverty reduction and inclusiveness  
(% of count)

2024

**95%**

2023  
94%

Operations supporting social protection  
(% of count)

2022-2024

**7%**

2021-2023  
8%

Disability-inclusive operations  
(% of count)

2022-2024

**13%**

2021-2023  
12%



## A. DEVELOPMENT FINANCE MOBILIZED AND TRANSFERRED

70. In 2024, ADB approved 178 projects and programs worth \$20.3 billion, with total commitments across sovereign, nonsovereign, and technical assistance (TA) operations reaching \$24.3 billion by year-end. ADB remained responsive to growing demand, with the number of operation commitments rising sharply by 38%, from 140 commitments in 2023 to 193.

71. Sovereign and nonsovereign commitments increased from \$21.3 billion in 2023 to \$21.8 billion.<sup>44</sup> Transactions under the private sector program accounted for \$2.2 billion, while TA funding grew to \$298 million. Notably, demand surged for ADB's primary project preparatory modality within TA, underscoring a heightened focus on project readiness. This shift aligns with expansion in ADB's lending operations after a 2023 review of the capital adequacy framework unlocked an additional \$100 billion in lending headroom. Cofinancing for ADB sovereign and TA projects in 2024 amounted to \$6.2 billion.

72. ADB further strengthened its support to countries in groups A and B as the number of concessional financing operations reached 114 and their combined

\$10.7 billion contributed 49% of the sovereign and nonsovereign commitment total. Of this, 14% served group A DMCs, and 35% group B. DMCs in fragile and conflict-affected situations (FCAS) and in small island developing states (SIDS) received \$1.6 billion, or 7% of committed financing, which was 75% more than \$930 million committed in 2023. ADB's investment project commitments fell slightly from \$13.4 billion in 2023 to \$12.7 billion in 2024, while policy-based lending (PBL) and results-based lending (RBL) volumes increased. Newly committed PBL amounted to \$7.2 billion in 2024, up by 18% from \$6.2 billion in 2023, while RBL volume increased by 42% over 2023, with \$1.8 billion in RBL committed in 2024. ADB also initiated PBL to several new borrowers in 2024, notably SIDS: the Cook Islands, Nauru, Tonga, and Vanuatu.

73. ADB maintained a strong disbursement rate for sovereign loans and grants, exceeding its 90% annual target and reaching 106% in 2024. Disbursement for investment projects and RBL operations amounted to \$10 billion. The *2024 Annual Portfolio Performance Report* provides further details on ADB disbursement.<sup>45</sup>

## B. PROGRESS ON STRATEGY 2030 TARGETS AND PRIORITIES

74. Amid rising conflict, food insecurity, and growing debt—exacerbated by geopolitical issues, climate risks, and recurring environmental shocks that have undermined years of development across the region—ADB continued to support its DMCs' efforts to regain lost ground, enable economic recovery, address infrastructure gaps and income and gender inequality, and improve resilience and environmental sustainability.

75. In 2024, ADB launched several initiatives to support enhanced resilience and environmental sustainability in the region, notably the Fiscal Resilience Initiative, Accelerating Atoll Adaptation, the Maritime Decarbonization Initiative, and ADB's first biodiversity and nature bond. ADB also made significant strides in mainstreaming support for women and girls, with 91% of sovereign and nonsovereign operations classified *gender equity theme* or *effective gender mainstreaming*,

far surpassing the 2024 target of 50%. Including operations categorized *some gender elements*, ADB exceeded its 71% target to reach 100% in 2024.

76. ADB's nonsovereign operations (NSOs) saw a record high of 58 new operation commitments, almost 40% more than 40 operations in 2023. This substantial increase in new NSO commitments meant that the NSO share in all ADB commitments improved to 30%. NSO financing volume increased by 50% for

a second year in a row, reaching \$2.6 billion in 2024. ADB's nonsovereign portfolio continued to support underdeveloped markets and underserved sectors, with the number of new operation commitments in frontier economies and new sectors increasing from 25 to 34 in 2024, to make up 59% of all operation commitments. Long-term nonsovereign cofinancing remained above target for a third consecutive year, reaching 245% in 2022–2024, well above the 3-year rolling target for 2024 of 200%.

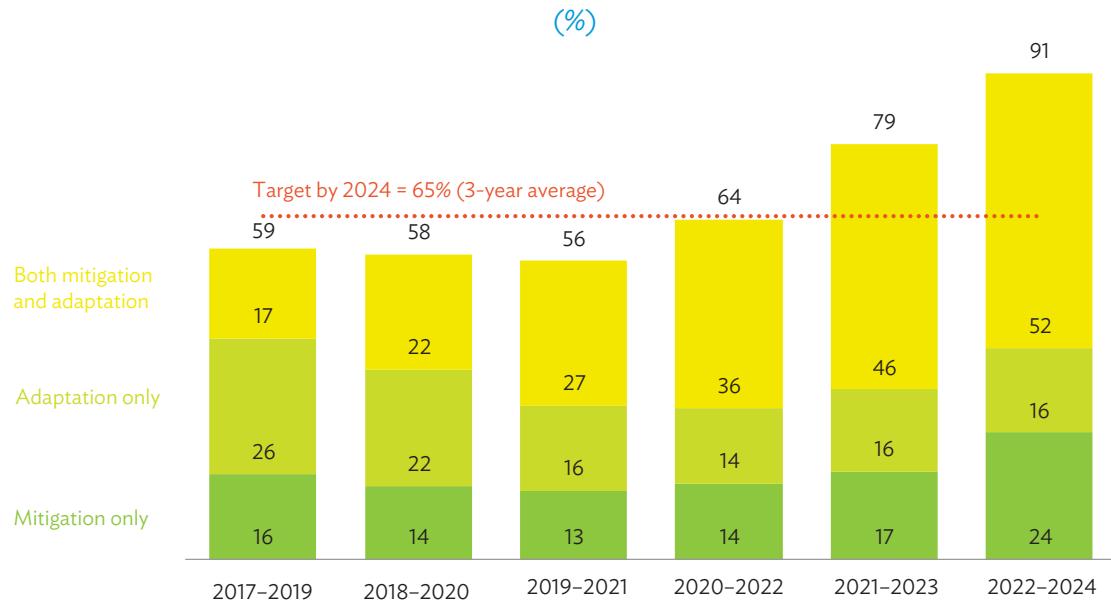
## C. IN FOCUS

### 1. Support for Climate Action

77. ADB has identified several actions to help DMCs shift toward a low-carbon and climate-resilient trajectory.<sup>46</sup> These include the provision of relevant financial, technical, and knowledge support to DMCs to promote disaster resilience and lower greenhouse gas emissions by investing in sustainable water supply,

sanitation, irrigation, flood control, transport and clean energy infrastructure. In 2024, 96% of new operations committed by ADB incorporated climate action, and the 3-year moving average of such operations grew from 79% in 2021–2023 to 91% in 2022–2024, exceeding the 2024 target of 65% (Figure 2.1).

**Figure 2.1: ADB Operations Supporting Climate Action, 2019–2024**



ADB = Asian Development Bank.

Note: Figures are 3-year rolling averages. Commitments include sovereign and nonsovereign operations but exclude private sector programs and technical assistance.

Source: ADB (Climate Change and Sustainable Development Department).

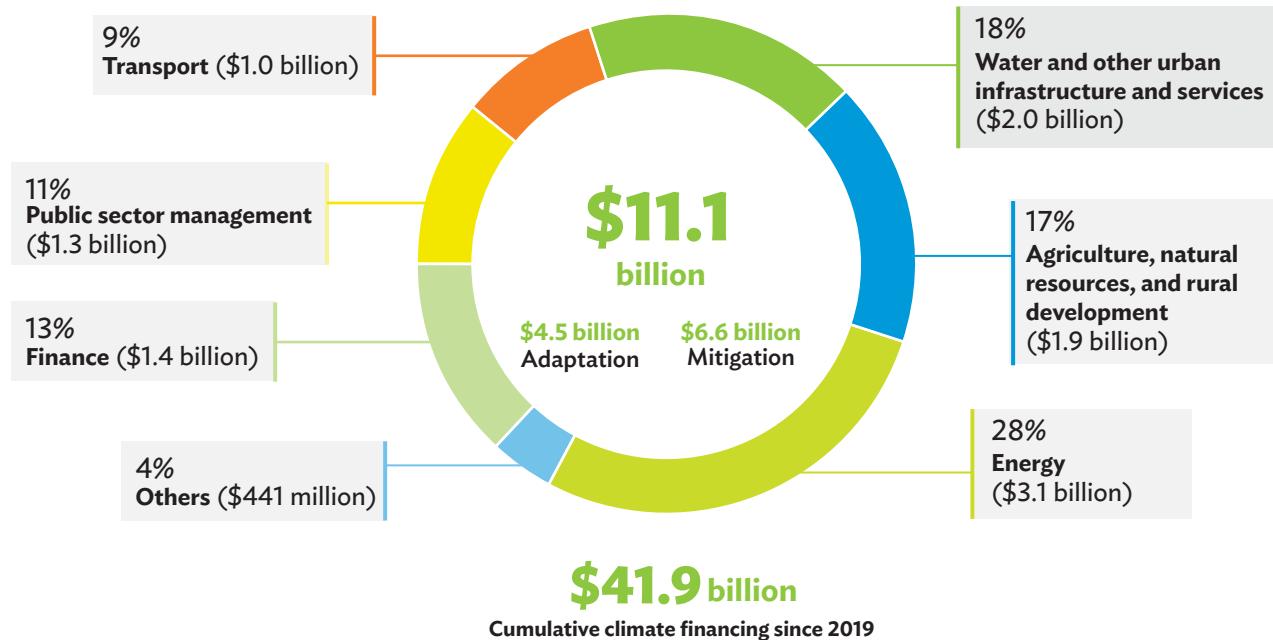
78. In response to the increasing demand from DMCs for solutions to enhance the resilience and sustainability of infrastructure and services, ADB committed \$11.1 billion in climate finance from its own resources in 2024, taking its cumulative climate financing from 2019 to \$41.9 billion (Figure 2.2). In terms of share of financing volume, climate finance stood at 51.0% of overall 2024 commitments, up from 46.1% in 2023. ADB's cumulative climate financing since 2019 is expected to exceed \$100 billion by 2030.

79. Clients' increased demand for investments in sustainable solutions to protect nature, enhance climate resilience, and strengthen environmental sustainability spanned across sectors, and ADB utilized a range of innovative financial instruments to address this demand. NSOs played an important role in meeting this demand, with NSO commitments comprising 14.4% of overall climate finance for the year, rising from 5.0% in 2021. Other sectors such as energy; agriculture,

natural resources, and rural development; and water and other urban infrastructure and services (WUS) also saw an increased demand for climate finance from DMCs, with more than two-thirds of climate financing going to these sectors to support infrastructure and services with a reduced carbon footprint and greenhouse gas emissions. Energy sector's share increased from 20% in 2023 to 28% in 2024, WUS from 11% to 18%, and finance from 3% to 13%. Transport, which has historically been the sector with the biggest climate finance contribution, accounted for only 9% in 2024, a sharp decline from 2023, when it accounted for 25%. The decline reflected a lower proportion of public and mass transport projects and a higher proportion of road transport projects in the sector's 2024 commitments.

80. ADB also saw increased demand for support for PBLs from DMCs to support resilient and inclusive recovery, improve crisis response mechanisms, and

**Figure 2.2: ADB Sectors Contributing to Climate Finance, 2024**  
(\$ billion)



ADB = Asian Development Bank.

Note: Figures reported are from ADB's own resources.

Source: ADB (Climate Change and Sustainable Development Department).

enhance resilience to environmental challenges. This led to PBL contribution to climate finance increasing from \$1.9 billion in 2023 to \$3.5 billion in 2024. This included the \$100 million support to Mongolia to accelerate and sustain investments in environmental sustainability and building resilience, in line with the country's long-term development objective to foster a low-carbon, productive, and inclusive economy.<sup>47</sup> ADB also committed \$500 million in PBL to Pakistan to enhance its resilience to disasters triggered by natural hazards.<sup>48</sup> Through an integrated approach, ADB is helping to strengthen Pakistan's institutional capacity for strategy, planning, and response; increase investment in disaster risk reduction and resilience; and promote disaster risk financing using a risk-layered approach.

81. ADB's donor partnerships remain a key means to scale up support for protecting nature and enhancing environmental sustainability in the region, and for delivering innovative solutions that combine financing with knowledge. Partnerships also support upstream work to strengthen the enabling environment for financing new adaptation solutions at scale. Innovative financing partnerships such as the Energy Transition

Mechanism and the Innovative Financing Facility for Climate in Asia and the Pacific are scaling up concessional and commercial capital to support energy transition. ADB is also increasingly working with DMCs and other development partners through country-led platforms. These multi-partner platforms promote coordination and scale up concessional and commercial capital to deliver on nationally owned transition plans. Building upon such mechanisms, ADB launched the Just Transition Support Platform to develop capacity in DMCs to plan, implement, and finance a just transition.

82. In 2024, ADB also launched its Environment Action Plan 2024–2030<sup>49</sup> and Disaster Risk Management Action Plan 2024–2030.<sup>50</sup> These plans tackle the issues of biodiversity loss and pollution to better support sustainable development in Asia and the Pacific and to redouble ADB's efforts to reverse the rising damage and losses from disasters triggered by natural hazards and to achieve disaster resilience in the region. ADB also launched, in 2024, the Glaciers to Farms Program, a regional initiative promoting sustainable water use and food security in response to melting glaciers (Box 2.1).

### Box 2.1: ADB's Glaciers to Farms Program

At the 29th Conference of the Parties (COP29), ADB launched the Glaciers to Farms Program. This regional initiative aims to mobilize \$3.5 billion from ADB and cofinancing partners to tackle water insecurity, declining agricultural productivity, and social vulnerability. With temperatures projected to rise by up to 6°C by 2100, glacial loss threatens ecosystems, disrupts water supplies, and jeopardizes the livelihoods of over 380 million people.

In Central and West Asia, 30%–60% of the water supply comes from snow and glaciers, which serve as natural reservoirs. However, glacial melt is accelerating, increasing risks of flood, drought, and agricultural instability. Without urgent action, communities dependent on these water sources will face severe socioeconomic consequences. To address these threats, the Glaciers to Farms Program takes an integrated approach. ADB will assess risks in Azerbaijan, the Kyrgyz Republic, Tajikistan, and Uzbekistan to guide targeted interventions. Key strategies will include environmentally friendly planning, watershed protection, resilient water management and food systems, and social protection measures to safeguard the most vulnerable communities. ADB is turning its ambition into action, ensuring sustainable water use and food security to sustain livelihoods and economies across the region.

Source: Asian Development Bank.

## 2. Mainstreaming Support for Women and Girls

83. The share of ADB operations supporting women and girls has risen steadily since the start of the corporate results framework (CRF), 2019–2024 period. The share of ADB operation commitments in reporting period 2022–2024 categorized gender equity theme (GEN) or effective gender mainstreaming (EGM) further grew by 3 percentage points to 91%, while those categorized GEN, EGM, or some gender elements (SGE) reached 100% (Figure 2.3). The share of financing for GEN and EGM operations continued to rise, with 94% of all ADB financing in 2022–2024 contributing to mainstreaming support for women and girls, including a substantial increase in the share of concessional assistance from 94% to 98%. ADB operations completed in 2024 generated strong results, with 108,000 skilled jobs generated for women; 118,000 women and girls supported to complete secondary and tertiary education and/or other training; increased time savings for almost 4 million women and girls; and 12 million women and girls supported to strengthen their resilience to disasters and other external shocks.

84. ADB's increased attention to operations incorporating solutions to address challenges faced by women has been important in the continuing upward trend in performance. The overall composition of ADB operations is changing, with the percentage of GEN operations rising further in 2022–2024, with GEN

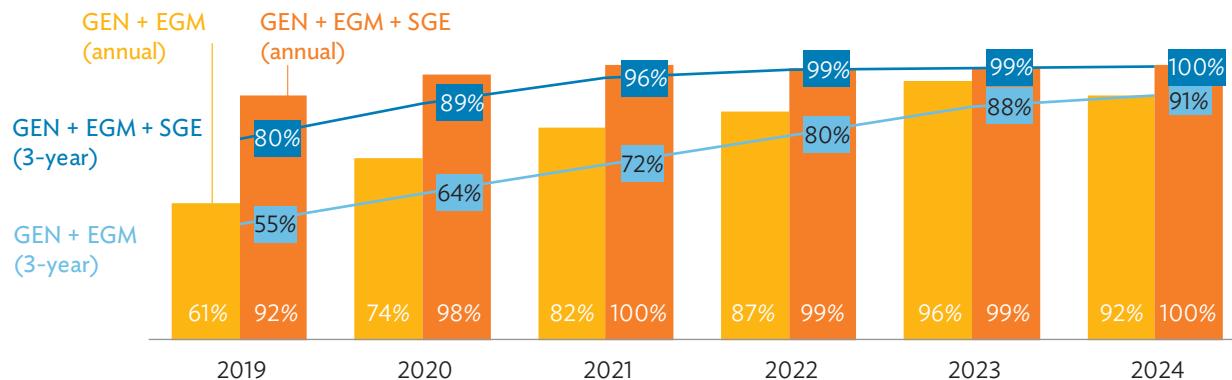
NSOs increasing by 9 percentage points from 13% in 2021–2023 to 22% in 2022–2024, against 16% for sovereign operations. The share of EGM operations decreased slightly as operations increasingly incorporated more ambitious transformative actions and merited GEN categorization. For sovereign operations, the share of EGM operations was 75%, and the same for NSOs was 70%. Continued increase in GEN and EGM operations over the longer term has driven down the percentage of operations with only some gender elements or none (Figure 2.4).

### 85. Focus on advancing transformative actions.

The many challenges and crises facing Asia and the Pacific have disproportionately impacted women, with decades of progress reversed in the past few years. In response, ADB is actively designing projects that directly empower women by incorporating transformative approaches that address harmful social norms and structural inequalities faced by women: notably gender-based violence (GBV), low women's participation in leadership and the labor force, and deficient women's access to education and health services.

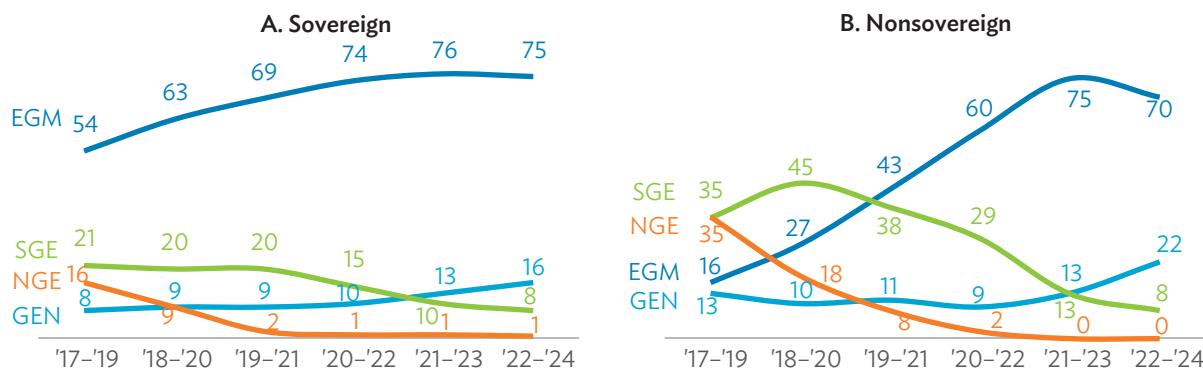
86. In 2024, ADB committed to a number of projects that promote transformative action. In Cambodia, ADB's project Strengthening Country Systems for

**Figure 2.3: Support for Women and Girls in ADB Operations, 2019–2024**



ADB = Asian Development Bank, EGM = effective gender mainstreaming, GEN = gender equity theme, SGE = some gender elements.  
Source: ADB (Climate Change and Sustainable Development Department).

**Figure 2.4: ADB Operations Supporting Women and Girls by Classification, 2019–2024 (%)**



ADB = Asian Development Bank, EGM = effective gender mainstreaming, GEN = gender equity theme, NGE = no gender elements, SGE = some gender elements.

Note: Figures are 3-year rolling averages.

Source: ADB (Climate Change and Sustainable Development Department).

Prevention and Response to Gender-Based Violence aims to strengthen legislation and public financial flows for the implementation of GBV prevention and response at the national and subnational level.<sup>51</sup> Similarly, ADB's Resilient Livelihoods and Empowerment of Rural Women Project in Tajikistan addresses the social and economic vulnerability of rural women by enhancing their agricultural skills toward improved production, promoting their role in the agricultural value chain, and boosting their employment readiness off the farm to improve household incomes.<sup>52</sup> The project supports rural women's access to services that respond to GBV and creates commercial opportunities for GBV survivors. In Vanuatu, the ADB project Supporting the Delivery of Skills Development enhances support services for female students and addresses barriers to learning for women with children, women with disabilities, and rural women.<sup>53</sup> The project also aims to improve campus safety and incorporates initiatives to empower at risk women and girls by developing their skills and economic opportunities.

**87. Gender and crosscutting areas.** ADB continued to build knowledge and capacity internally and in the region to enhance impact for women through a range of innovative efforts across its interventions. Notable crosscutting areas included strengthening women's resilience to extreme heat, gender-

responsive financial ecosystems, childcare, private sector action to improve women's participation in the workforce and leadership, and women's participation in regional cooperation, as well as addressing sexual exploitation, abuse, and harassment. ADB initiated work on Strengthening Women's Resilience to Heat Stress in Asia and the Pacific.<sup>54</sup> This initiative explores how heat stress affects women and men differently and identifies gender-responsive adaptation solutions to extreme heat, including policies and actions, to inform ADB investments that address this issue. It fills critical knowledge gaps and facilitates the development of innovative, sustainable, and scalable interventions such as early warning systems for women farmers and heat action plans in urban and rural settings.<sup>55</sup> ADB also launched an initiative, Promoting Sustainable Investments in Quality and Affordable Childcare in Asia and the Pacific, conducts research, policy dialogue, and capacity building to support the introduction and scaling up of high-quality, affordable, and accessible childcare across Asia and the Pacific and to accelerate socioeconomic and educational benefits for caregivers and children.<sup>56</sup> ADB also launched guidelines to address the specific needs of women and girls with disabilities, providing insights into their lived experience and the barriers they face in the region, and providing guidance on disability-inclusive approaches to project and program design, implementation, monitoring, and review.<sup>57</sup>

### 3. Human Capital Investment

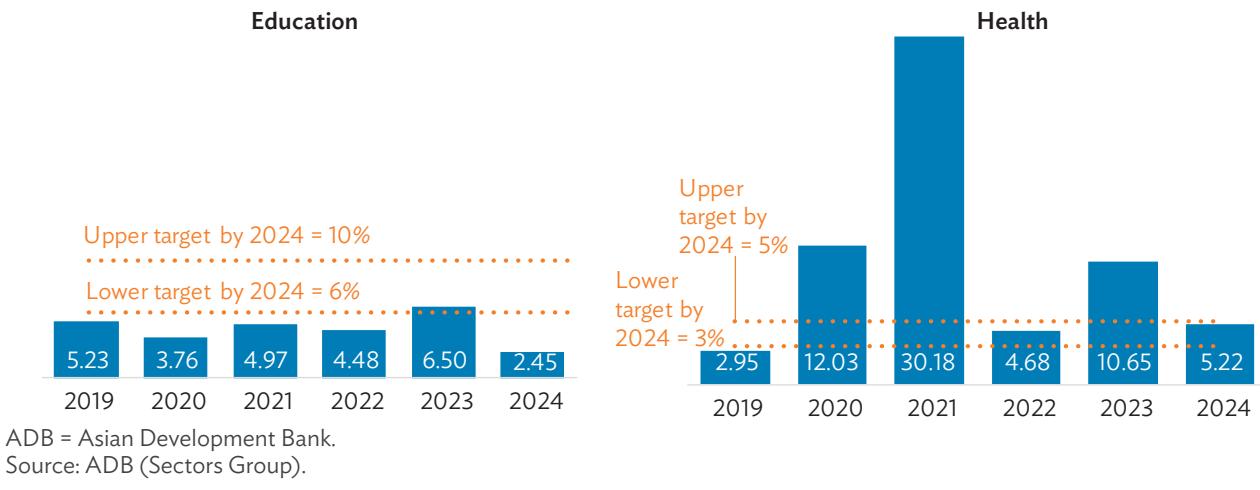
88. **Health financing above the target range.** ADB committed \$1.12 billion in health sector financing in 2024, accounting for 5.2% of all financing, bringing the share of health sector financing down to slightly above the CRF target range of 3%–5% (Figure 2.5). Financing for health sector decreased from \$2.2 billion in 2023 to \$1.1 billion in 2024, with commitments worth \$430 million delayed to 2025 due to design enhancement and additional environmental sustainability and resilience measures.

89. In 2024, ADB supported health sector projects in the Cook Islands, Georgia, India, the Lao People's Democratic Republic, Mongolia, Pakistan, Tajikistan, and Uzbekistan. Investments supported health system reform and universal health coverage, including enhanced medical education, expanded maternal and child health services, strengthened sector governance, and integrated service delivery across different levels of care. With \$500 million in PBL to the Maharashtra Tertiary Care and Medical Education Sector Development Program in India, ADB is supporting efforts to develop a holistic system of tertiary care and medical education by creating a robust framework that enables existing and new medical colleges and teaching hospitals to attract and retain well-trained doctors and other health staff, and to enable the delivery of

high-quality and affordable health care.<sup>58</sup> In Uzbekistan, ADB is helping to modernize perinatal centers through its \$100 million Integrated Perinatal Care Project.<sup>59</sup> In addition to providing modern equipment to perinatal centers, the project aims to improve the referral system, strengthen health workforce capacity to provide better-quality care, and improve maternal health-seeking behavior. In addition to these projects, ADB also supported the Health Sector Enhancement Program in Georgia<sup>60</sup> and, in India, the Early Childhood Development in Meghalaya Project<sup>61</sup> and the Strengthened and Measurable Actions for Resilient and Transformative Health Systems Program.<sup>62</sup>

90. **Education financing down, but pipeline remains robust.** Increased investment in education and skills development is critically needed in the region to address the learning crisis. This need is felt especially strongly in low- and middle-income countries, where fewer than half of students are able to read simple text by age 10 despite attending school, and graduates do not have the skills necessary to find jobs, leaving employers unable to fill vacancies. After a year of being in the target range of 6%–10%, ADB's financing commitments for education declined to 2.45%, their lowest share since 2019. In terms of volume, education

**Figure 2.5: Share of Health and Education Financing in ADB Commitments, 2019–2024 (%)**



sector commitments declined from \$1.4 billion in 2023 to \$533 million in 2024, as they were significantly hampered by delays caused by changes in DMCs, such as unexpected shifts in government leadership or department heads. Despite the drop in commitment volume in 2024, ADB continues to demonstrate a strong pipeline of education sector projects, with expanding engagement in the sector across DMCs. The education pipeline for 2025 is poised to grow, driven by new initiatives to enhance the quality, accessibility, and relevance of education across the region. In 2024, ADB and partners launched a \$1.5 billion partnership commitment under the International Finance Facility for Education (IFFEd), which combines guarantees and grant financing to accelerate investment in educating school-aged children and youth specifically in lower-middle-income countries. These grants and guarantees are expected to reduce the cost of education sector borrowing for eligible DMC clients and catalyze up to \$2 billion in new ADB loans for education.

91. Financing for education in 2024 focused on emerging skills and jobs, enhancing competitiveness, and school reform and innovation. Secondary education received 27% of education financing, with 24% going to education sector development, 11% to technical and vocational education and training, and 9% to preprimary and primary education and projects outside of formal education. ADB committed to an \$80 million loan to Cambodia to make upper-secondary education more inclusive and to strengthen it with interactive teaching and learning that imparts 21st-century skills, while also improving the assessment system and introducing new pathways for students to progress to postsecondary education.<sup>63</sup> In India, ADB is supporting the state of Meghalaya to improve the quality of secondary education, expand the provision of market-relevant skills training, and foster entrepreneurship in the state. This project aims to enhance youth employability by tackling underlying issues at critical junctures in education and skills development.<sup>64</sup> In Vanuatu, ADB is helping the government to deliver a high-quality education and skills development system, and to strengthen resilience through expanded training opportunities, new courses, upgraded infrastructure, and targeted interventions for women and other vulnerable groups.<sup>65</sup>

92. **Expanded social protection operations.** ADB committed to 12 social protection operations in 2024, a 50% increase over 8 operations in the previous year. Over the 2022–2024 reporting period, ADB has committed 34 social protection operations, translating to 7% of all ADB operations commitments for the period. This is higher than the pre-pandemic levels, and in line with the size of ADB's historic social protection portfolio. In the years immediately following the COVID-19 pandemic, ADB's social protection commitments saw a significant increase in response to increased pressures on social security systems across the region. ADB's 2024 social protection commitments covered key areas such as social assistance, social insurance, and labor market programs, as well as integrated social protection with other sector interventions to improve development outcomes. Through the Second Strengthening Social Resilience Program, the bank is helping the Government of Bangladesh in transforming the social protection system by focusing policy packages across a medium-term framework for improvements in the policy, regulatory, and institutional environment for social protection.<sup>66</sup> ADB support is also strengthening protection measures for vulnerable women, and people facing economic insecurity or social stigma. In Pakistan, ADB's \$330 million additional support to the Integrated Social Protection Development Program is enhancing and expanding the country's social protection system by strengthening institutional capacity for social protection and resilience; improving access to primary and secondary education for children and adolescents in poor families; and enhancing access to health services and nutrition supplies for women, adolescent girls, and children in poor families.<sup>67</sup> In the Lao People's Democratic Republic, ADB supports the Building Resilience and Reducing Rural Poverty Project to expand the government's targeted, nutrition-sensitive conditional cash-transfer program by enrolling at least 25,000 poor households in areas with high rates of poverty and malnutrition, and to make social protection systems more adaptive and shock-responsive.<sup>68</sup> The project will introduce an innovative poverty graduation program that builds on conditional cash transfers to address the multiple facets of deprivation experienced by rural women and to support sustainable livelihoods.

93. ADB's support for food security in the region also expanded in 2024 in line with its commitment to provide \$14.0 billion during 2022–2025 to address food insecurity.<sup>69</sup> With \$2.8 billion committed to food security initiatives in 2024, ADB's cumulative commitment since 2022 reached \$9.2 billion. Through its investments in food security, ADB is enhancing the productivity and resilience of food systems and agricultural value chains.

94. Among ADB operation commitments in 2024, 13% incorporated support for people with disabilities, up from 12% in 2023. Three projects were rated *significantly disability-inclusive*, while 11% had *some disability-inclusion elements*. Southeast Asia saw notable progress on this indicator, with 22% of the operation commitments in the region incorporating it. Disability-inclusive projects supported by ADB include in Vanuatu a program to develop skills, in Pakistan's Sindh Province a housing project for 12,000 households with disabilities, and in the Kyrgyz Republic a tourism project integrating inclusive design and employment opportunities.

## 4. Private Sector Resource Mobilization

95. **Record-high nonsovereign cofinancing ratio.** Recognizing the importance and need for the private sector to play a lead role in the achievement of a prosperous, inclusive, resilient, and sustainable Asia and the Pacific, Strategy 2030 aims to have every \$1.00 in ADB financing for NSOs matched by \$2.50 in long-term cofinancing, for a cofinancing ratio of 250% by 2030. The 3-year rolling average of nonsovereign cofinancing increased from 230% in reporting period 2021–2023 to 245% in 2022–2024.

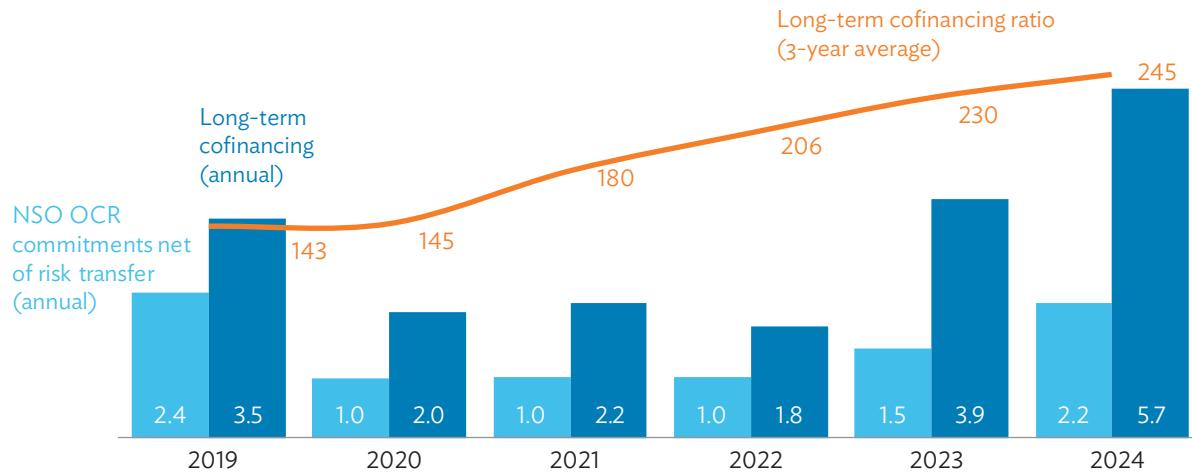
96. Long-term nonsovereign cofinancing volume jumped significantly in 2024 by 50%, from \$3.9 billion in 2023 to \$5.7 billion in 2024 (Figure 2.6). Long-term cofinancing from the Private Sector Operations Department increased by 6% from \$3.4 billion to \$3.6 billion, and that from transaction advisory services increased by 360% to \$2.1 billion, primarily from two large public–private partnerships (PPPs) that achieved commercial and financial closure in 2024 (discussed further in para. 97). The annual nonsovereign cofinancing ratio in 2024 was 260%, slightly lower than 270% in 2023 but still above the 2030 target of 250%. ADB was the lead arranger for the Gulf Solar project in Thailand, which integrates battery storage with solar power to provide continuous clean energy and enhance grid stability. The \$820 million financing package, arranged by ADB, brought together diverse partners including the Asian Infrastructure Investment Bank, the German development finance

institution DEG, and KEXIM Global—a wholly owned subsidiary of the Export–Import Bank of Korea. This project accelerates Thailand's journey toward carbon neutrality and offers a replicable model for renewable energy integration across the region.

**97. Scaling up support for policy advocacy and capacity building for private sector development.**

In 2024, ADB supported 18 of its DMCs through 52 ongoing transaction advisory service mandates and the Asia Pacific Project Preparation Facility, primarily in energy, water, and transport. During the year, ADB facilitated the commercial and financial closure of two PPPs: the expansion and modernization of the Ninoy Aquino International Airport in the Philippines, and the operation and management of an elderly care facility in Yichang, Hubei, in the People's Republic of China. These initiatives generated almost \$2.1 billion in capital commitments from the private sector. Further, ADB provided advisory services for capacity building, policy advocacy, and creating enabling environments to better enable government and private sector partners to develop and implement PPPs. ADB delivered training programs in 10 DMCs with the participation of 220 government stakeholders. ADB continues to build capacity in national PPP centers in Azerbaijan, Mongolia, Papua New Guinea, Solomon Islands, Sri Lanka, and Uzbekistan, and it supports other upstream initiatives in Bangladesh, Georgia, Indonesia, Kazakhstan, and the Lao People's Democratic Republic.

**Figure 2.6: Long-Term Cofinancing for Nonsovereign Operations, 2019–2024**  
(\$ billion)



ADB = Asian Development Bank, NSO = nonsovereign operation, OCR = ordinary capital resources.

Notes:

<sup>a</sup> The corporate results framework excludes ADB financing and short-term cofinancing for private sector programs.

<sup>b</sup> In 2023, an additional \$268.3 million in long-term cofinancing was generated through ADB's Trade and Supply Chain Finance Program. Source: ADB (Private Sector Operations Department, and Office of Markets Development and Public–Private Partnership).

## 5. Asian Development Fund 14 Replenishment

98. During the ADF 13 period covering 2021–2024, a total of \$2.8 billion in grant assistance was provided to DMCs most in need. This included \$1.2 billion for FCAS, or 2% above the target for the ADF 13 period, and \$514 million for SIDS, a 29% increase from the previous 4-year cycle but short of an ambitious target expansion.<sup>70</sup> ADB committed \$981 million in climate finance to ADF eligible DMCs during the ADF 13 cycle, through 101 grant operations, representing 77% of all ADF grants.<sup>71</sup> The number of operations addressing the provision of regional public goods reached 19, surging past the target of at least doubling the 6 operation commitments during ADF 12.

99. In 2024, ADB and its members reaffirmed their commitment to support the poorest and most vulnerable DMCs through the ADF—ADB's largest special fund and the main source of operation grants—with a historic \$5 billion replenishment for ADF 14 and the Technical Assistance Special Fund 8 for 2025–2028. This funding increase, 22% higher than

in the previous cycle, will deliver the largest volume of grants in ADF history. ADF 14 will continue to prioritize support for the poorest and most vulnerable DMCs, with specific policy commitments that at least 32.5% of committed ADF 14 grants by volume will support SIDS, and at least 40.0% will support DMCs in FCAS. ADF 14 policy commitments include that at least 45% of ADF 14 grants will contribute to climate finance, and at least 30% will support regional cooperation and integration, including regional public goods. These commitments and targets will be monitored and managed using a tailored ADF 14 results framework aligned with ADB's CRF 2025–2030. The key CRF 2025–2030 strategic alignment indicators and targets are included in [Appendix 1](#). Starting next year, reporting in this annual *Development Effectiveness Review* will include analysis and reporting of CRF results indicators specifically for ADF operations, to better monitor and communicate ADB's development effectiveness in its poorest and most vulnerable DMCs.

# Steering ADB's Corporate Strategy to Success: The Corporate Results Framework

The Corporate Results Framework (CRF) strengthens ADB's development effectiveness by measuring and monitoring performance against its strategic goals.

In September 2024, ADB approved its updated corporate strategy. The midterm review of Strategy 2030 introduced a new organizational vision, and outlined five strategic focus areas to drive bold impact on poverty reduction and address regional challenges in a rapidly evolving landscape. Following this, a new CRF was developed to measure, monitor, and assess ADB's performance against its goals and priorities through 2030.

## CRF 2019–2024

The CRF, 2019–2024 tracked the first half of implementation of Strategy 2030. It reports on two sections: trends in regional development and ADB's development effectiveness. Key features of this CRF include the following:

### LEVEL 1: DEVELOPMENT PROGRESS IN ASIA AND THE PACIFIC

Monitored long-term development progress using regional progress indicators, eight of which are official Sustainable Development Goal indicators.

### LEVEL 2: RESULTS FROM COMPLETED OPERATIONS

Assessed ADB's contribution to development results through its completed operations, including support to the seven operational priorities.

### LEVEL 3: PERFORMANCE OF NEW AND ONGOING OPERATIONS

Tracked how well ADB is managing its new and ongoing operations during 2019–2024. This includes tracking ADB's overall performance against Strategy 2030 priorities.

### LEVEL 4: ORGANIZATIONAL EFFECTIVENESS

Measured ADB's performance in two results areas: organizational systems and processes, and organizational capacity.

Overall, an expansive set of 60 indicators with 155 tracking indicators reported annually through the Development Effectiveness Reviews.

## CRF 2025–2030

The new CRF covers the final implementation period of Strategy 2030 and its midterm review. The new CRF structure considered the lessons learned from previous CRFs; the findings and recommendations from independent evaluations and other reviews, including the midterm review of Strategy 2030; insights gained through stakeholder consultations; and reviews of good practices in results-based management, including benchmarking and harmonizing with other multilateral development banks. Five principles guided the design and development of the CRF, 2025–2030:



**Flexibility**  
Allow CRF to adapt to evolving client needs.



**Balanced Targets**  
Use complementary targets to ensure ambition and attainability.



**Focused Indicators**  
Streamline and align with Strategy 2030 priorities for better trade-offs, communication, and incentives.



**Ownership and Accountability**  
Engage stakeholders early to align indicators with work plans and clarify responsibility.



**Global Alignment**  
Harmonize with MDBs for streamlined reporting.



## Solving Complex Challenges Together

The new CRF has a robust and cohesive framework reporting ADB's development effectiveness using 35 indicators, with 37 tracking indicators across four performance areas.

### ADB's Development Results

ADB will report the outcomes delivered by completed operations through 12 outcome-oriented indicators to assess results under the pillars of people, planet, and prosperity. Additionally, it will assess performance on financially closed project quality through six indicators, including success ratings, gender results, and knowledge benefits.

### Strategic Alignment

ADB will track the alignment of sovereign and nonsovereign operations with the five strategic focus areas.

### Operational Management

ADB will monitor projects during the design and implementation phases to ensure they are well-prepared at entry and effectively managed throughout their life cycle.

### Organizational Effectiveness

ADB will monitor areas that ensure it has the right people, systems, and processes in place to support efficient operations and promote organizational practices.

## 7 OPERATIONAL PRIORITIES

Addressing remaining poverty and reducing inequalities

Accelerating progress in gender equality

Tackling climate change, building climate and disaster resilience, and enhancing environmental sustainability

Making cities more livable

Promoting rural development and food security

Strengthening governance and institutional capacity

Fostering regional cooperation and integration

## 5 STRATEGIC FOCUS AREAS



Climate action



Private sector development



Regional cooperation and public goods



Digital transformation



Resilience and empowerment

PROSPERITY

PEOPLE

PLANET



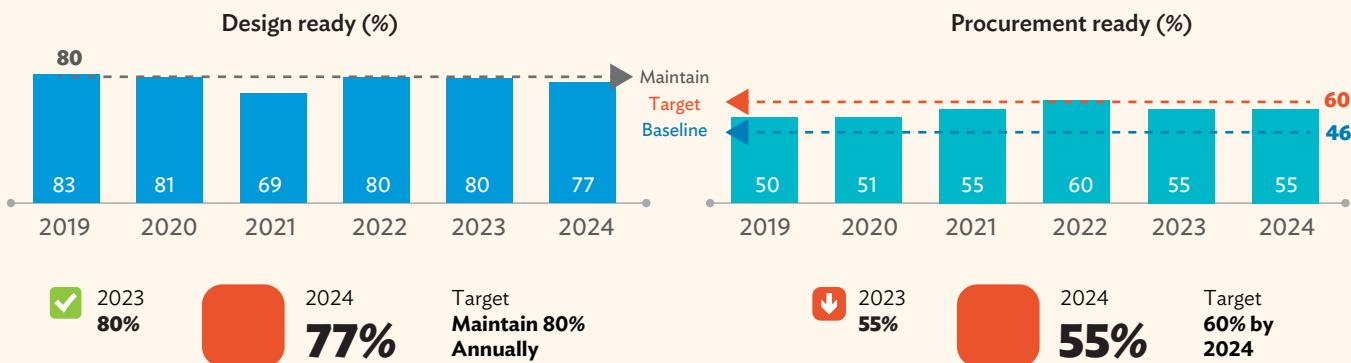
**Power of the sun.** Solar Infinity and AIS Fibre staffer Sajjaporn Sawok, 26, is a fiber optic and solar cell installation technician. The job involves installing solar panels in line with house specifications (photo by Gerhard Joren).

## CHAPTER 3

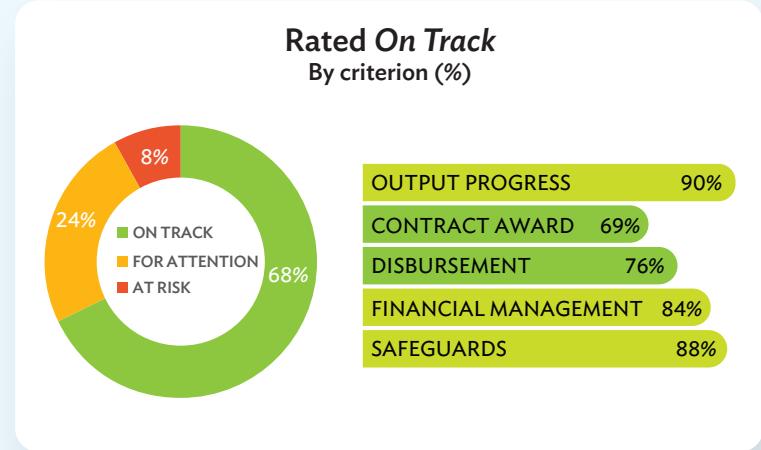
# Sovereign Operations

## PROJECTS APPROVED IN 2024

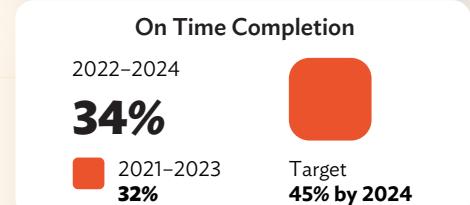
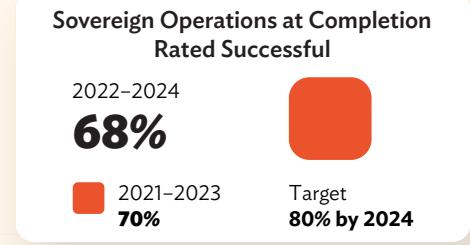
### Infrastructure Projects Approved Annually



## PROJECTS UNDER IMPLEMENTATION IN 2024



## DEVELOPMENT RESULTS DELIVERED TO CLIENTS AND BENEFICIARIES



By Type PBO = **88%** Project = **61%**

By Location FCAS = **43%** SIDS = **56%**



## A. READINESS AT DESIGN STAGE

100. Sovereign infrastructure operations fell short of design and procurement readiness targets for 2024. The share of infrastructure projects that were design ready at Board approval declined from 80% in 2023 to 77% in 2024, falling short of the 80% annual target for the first time since 2022.<sup>72</sup> While the share of sovereign infrastructure projects that were procurement ready remained stable at 55%, having previously declined from 60% to 55% in 2023, it too missed the annual target of 60%.<sup>73</sup> Both readiness indicators also fell for projects in countries eligible for concessional assistance, where design readiness declined from 79% in 2023 to 70% in 2024, and procurement readiness from 54% to 47%. Project readiness for projects using regular ordinary capital resources was much higher, as 83% of these projects were design ready at approval, and 62% were procurement ready.

101. While readiness indicator targets were missed in 2024, ADB has made a lot of progress in improving the readiness of its projects over the past few years. The use of project readiness financing and the Small Expenditure Financing Facility improved as Central and West Asia and the Pacific increased their use of these modalities to enhance project preparedness. South Asia performs well on project readiness, helped notably in India by the strict implementation of a project-readiness checklist.<sup>74</sup> On the other hand, project readiness in Southeast Asia and East Asia lags as regulations in many DMCs in these regions disallow advance procurement action. ADB has undertaken a range of actions to improve project readiness in these regions, including setting up a project development fund, enhancing the use of project readiness financing, and engaging with DMCs to establish country-specific readiness checklists based on lessons from other regions.

## B. IMPLEMENTATION PERFORMANCE

102. **Improvement in implementation quality of active operations.** The share of ongoing sovereign operations with satisfactory *on track* implementation improved by 3 percentage points to reach 68% in 2024, the highest since 2019. Improvement was similar across all subsets, with concessional assistance also rising, from 65% to 68%. All regions improved their performance of ongoing operations as they recovered from the impacts of the coronavirus disease (COVID-19) pandemic on project implementation. This improvement can be attributed to high

achievement of disbursement against projections. Of the five implementation criteria, disbursement improved by 4 percentage points and outputs by 3 percentage points. Conversely, there were slight declines of 1–2 percentage points for contract awards, financial management, and safeguards, which ended at 69%, 84%, and 88%, respectively. The share of projects rated *at risk* for safeguards compliance went down to 2%. Detailed analysis of sovereign portfolio performance at implementation is available in the 2024 Annual Portfolio Performance Review.<sup>75</sup>

## C. PERFORMANCE OF COMPLETED OPERATIONS

103. **Slight decline in overall success rate.** The share of completed sovereign operations—including COVID-19 Pandemic Response Option (CPRO) operations—rated *successful* in reporting period 2022–2024 was 68%, a decrease of

2 percentage points from 70% in 2021–2023. From 2019 to 2024, the success rate of sovereign operations has remained largely stable, declining by 4 percentage points from 72% to 68%.



#### 104. Policy-based operations highly successful.

While the success rate for investment projects, which comprised 76% of all completed sovereign operations, dropped from 66% in 2021–2023 to 61% in 2022–2024, the success rate for policy-based operations further improved from 83% to 88% in the same period. Of 77 policy-based operations completed in 2022–2024, 68 were rated *successful*. Excluding CPROs, their success rate registered an even bigger improvement by 10 percentage points from reporting period 2021–2023 to 2022–2024, going from 74% to 84%. ADB has historically enjoyed greater success with policy-based operations than with investment projects, and 93 of 112 such operations completed since 2019, or 83%, have been rated *successful*. Most of them supported public sector management and finance sector reform, focusing on public finance management, economic stabilization, domestic resource mobilization, and capital market development.

**105. Delayed project completion reflects implementation challenges in DMCs.** The share of projects completed *on time*—defined as within 1 year of the targeted financial closing date—increased by 2 percentage points to 34% in reporting period 2022–2024. While ADB has been improving its performance on timely completion since 2019–2021, when only 27% of projects were completed on time, the rate remains below the 2024 target of 45%. The transport sector had the highest number of delayed projects and a relatively low on-time completion rate of 20%. Finance had the highest on-time completion rate as two-thirds of its projects completed on time. By region, the Pacific had the lowest proportion of projects completed on time, at only 7%, followed by Southeast Asia at 24%. South Asia had the highest on-time completion rate at 44%. The average delay across the portfolio was 3 years, the usual causes being contractor performance, changes in project scope, slow provision of counterpart funds, and prolonged liquidation.

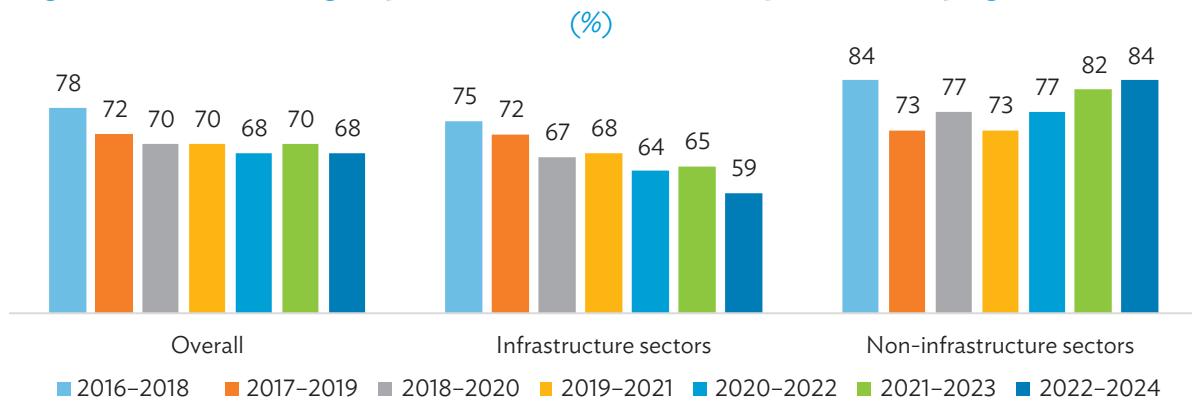
## D. IN FOCUS

### 1. Main Factors Affecting Sovereign Success Rates

106. The success rate of the sovereign portfolio declined slightly from 70% in reporting period 2021–2023 to 68% in 2022–2024 (Figure 3.1).<sup>76</sup> This drop reflects a downward trend in recent years in the success rate of infrastructure sectors and reflected issues faced by legacy operations.

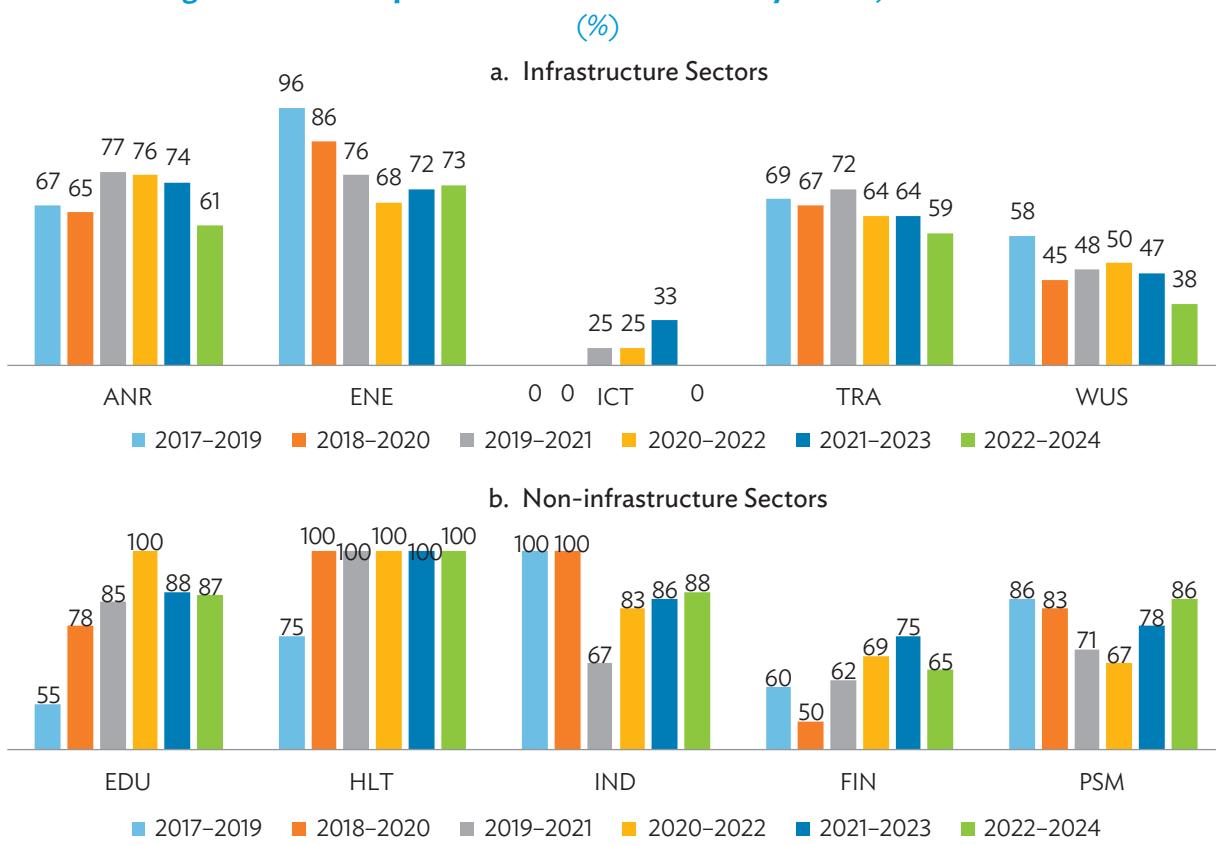
107. Infrastructure sectors accounted for 64% of 283 projects completed in 2022–2024,<sup>77</sup> and the five non-infrastructure sectors accounted for the remaining 36%.<sup>78</sup> The two groups had significantly different

success rates—59% for infrastructure projects and 84% for non-infrastructure projects—and success rate trends, as the success rate for infrastructure sectors declined by 6 percentage points in 2022–2024 while non-infrastructure sectors improved their success rate (Figure 3.2). Comparing the performance of completed infrastructure and non-infrastructure sector projects shows non-infrastructure sector projects rated higher across all four criteria: *relevance, effectiveness, efficiency, and sustainability*.

**Figure 3.1: ADB Sovereign Operations Rated Successful by Sector Grouping, 2016–2024**

Note: An operation's inclusion in a reporting year is based on its completion report circulation date. The 3-year reporting period 2022–2024 is 1 July 2021–30 June 2024.

Source: Asian Development Bank (Independent Evaluation Department).

**Figure 3.2: ADB Operations Rated Successful by Sector, 2017–2024**

ADB = Asian Development Bank; ANR = agriculture, natural resources, and rural development; EDU = education; ENE = energy; FIN = finance; HLT = health; ICT = information and communication technology; IND = industry and trade; PSM = public sector management; TRA = transport; WUS = water and other urban infrastructure and services.

Note: An operation's inclusion in a reporting year is based on its completion report circulation date. The 3-year reporting period 2022–2024 is 1 July 2021–30 June 2024.

Source: ADB (Independent Evaluation Department).

## 108. A range of internal and external factors affecting sovereign operations' performance.

While there was a decline in the overall success rate of sovereign operations in 2022–2024, it is useful to understand the challenging context faced by ADB operations. The 2023 Annual Evaluation Review highlighted that, in addition to project-specific factors under ADB's control, country and external factors (governance, political stability, fiscal management, economic performance, and unforeseen events) also influence project success rates as measured by efficiency and effectiveness. Projects completed in the past 3–4 years have seen their implementation and results affected by a range of external shocks, most notably the COVID-19 pandemic, Russia's war in Ukraine, trade disruption, and disasters triggered by natural hazards. All of these shocks had some impact on project efficiency, effectiveness, and sustainability and thus affected projects' success rating. COVID-19 lockdowns in particular affected the on-time completion of projects, and for projects nearing their end, disruptions meant that many outputs or outcomes remained underachieved. In Central and West Asia, in addition to COVID-19 disruptions, projects have increasingly suffered cost and time overruns arising from Russia's war in Ukraine as they were unable to source materials and equipment. Another factor that affects project success is institutional capacity in DMCs. As development spending increases in DMCs and projects become more complex, inadequate capacity in implementing and executing agencies increases the risk of delay, budget overrun, and quality issues that significantly undercut project success.

**109. Persistent challenges facing water and urban infrastructure and services.** WUS saw its success rate decline from 47% in reporting period 2021–2023 to 38% in 2022–2024, with only 14 of 37 completed operations rated *successful*. Given the complex nature of most WUS projects, they face a range of technical and financial issues, exacerbated by weak capacity in urban local bodies in most DMCs. Given the largely urban setting of these projects, local government processes and procedures also contribute to delays due to challenges with permits, land acquisition, resettlement, and actual construction. These issues

are also reflected in efficiency and effectiveness ratings for the sector, with only 46% of completed projects rated *efficient* and *effective*. The sector continues to face pronounced *sustainability* issues in South Asia, with 13 of 17 completed WUS projects in the region, or 76%, rated *unsuccessful*. Validation reports noted that across WUS projects, especially in South Asia, the *sustainability* of projects is undermined by negative financial performance arising from dependence on state or national government transfers, inability to secure O&M funding from low tariffs, uncertain viability gap funding, and weak technical capacity to manage assets established through ADB support. To improve performance, ADB is providing closer monitoring and supervision and more hands-on support to implementing and executing agencies across its DMCs to improve procurement and financial management in WUS sector projects.

**110. Agriculture, natural resources, and rural development (ANR) and transport operations on downward trend.** The ANR sector success rating fell from 74% in reporting period 2021–2023 to 61% in 2022–2024, with 19 of 31 completed projects rated *successful*.<sup>79</sup> While the ANR project success rate in South Asia and Southeast Asia was low at 56%, and 29%, respectively, completed ANR projects in East Asia performed much better, with 11 of 13 completed projects in the region rated *successful*. Sector performance suffered from low *sustainability* ratings, with only 45% of completed ANR projects rated *sustainable*. ADB's ANR operations suffer some of the same impediments that affect other infrastructure sectors, as uncertainty about the O&M of project assets and infrastructure raises concerns about project viability over the long term.

111. The transport sector also recorded a decline in success rate in 2022–2024, falling by 5 percentage points to 59%. However, an upturn in sector performance is indicated as 70% of transport projects completed in 2024 were rated *successful*. Transport projects completed in 2024 also enjoyed steep improvement in efficiency and effectiveness as 90% of them were rated *effective* and 80% *efficient*. The sector, whose 63 projects formed the largest block of projects

completed in reporting period 2022–2024, continued to suffer low success rates in Central and West Asia at 50%, the Pacific at 20%, and Southeast Asia at 57%. In these regions, low success rates stemmed from inappropriate selection of certain financing modalities such as the multitranche finance facility, misalignment in some projects of components with project goals, insufficient capacity in executing and implementing agencies, and insufficient financial and institutional assessment during project design.<sup>80</sup> Transport projects supporting road transport, either urban or non-urban, enjoyed a higher success rate, with 74% of road transport projects rated *successful*. Urban public transport projects were more challenging, as only one of seven public transport projects was rated *successful*. Complex land-acquisition and resettlement processes for transport projects in urban areas often cause cost overruns and implementation delays, which affect their efficiency, effectiveness, and overall success ratings.

**112. Social sector success rate benefiting from system strengthening approach.** The five non-infrastructure sectors continued to enhance their success rates. Education, health, industry and trade, and public sector management all exceeded the 2024 success rate target of 80%, with only finance falling short. Both education and health have scored high success rates since reporting period 2018–2020, with health registering a 100% success rate for five consecutive reporting periods. Health and education sector operations, which made up nearly a third of completed non-infrastructure projects and 12% of all completed operations in 2022–2024, have continued to earn high success rates, with high ratings across all four evaluation criteria: *relevance*, *efficiency*, *effectiveness*, and *sustainability*. As in previous years, projects completed in 2022–2024 in these sectors benefited from a strong system-strengthening approach and the enhanced use of results-focused modalities such as results-based lending, policy-based lending, and sector development programs, which are geared toward reforms and policy actions with varying time frames. Most health and education projects had effective implementation arrangements under well capacitated agencies, and strategic collaboration

with other development partners, which contributed to their success. ADB projects in these sectors also benefited from strong collaboration and partnership with multilateral and bilateral development partners, as well as solid government support for tackling long-term challenges through improved access to health and education, quality services, technology integration, integrated solutions, and systems modernization—all of which received a further fillip from the COVID-19 induced shocks.

**113. Finance sector success rate challenged by extraneous factors.** The success rating of finance sector in 2022–2024 declined for the first time since 2018–2020, breaking a trend of four consecutive improvements. The sector's success rate dropped 10 percentage points, from 75% in 2021–2023 to 65%, with 6 of the 17 operations completing in the 2022–2024 reporting period rated *less than successful*. This decline is largely attributable to a drop in effectiveness rating of completed operations, pointing to the sector operations falling short of their DMF outcomes and outputs. For two of the six operations rated *less than successful*, the borrower's decision to cancel subsequent tranches and subsequent sub-programs contributed to the lower ratings. The other projects, primarily focused on capital market reforms in DMCs with underdeveloped markets, faced issues achieving their outcome targets, with COVID-19 pandemic at the tail-end of these projects reversing or stalling progress on some of the intended project outcomes.

**114. Improved performance from public sector management.** PSM continued to be the non-infrastructure sector with the largest share of operations, at 43% of all non-infrastructure projects, and was the sector with the biggest improvement: from 78% *successful* in reporting period 2021–2023 to 86% in 2022–2024. Of 44 PSM operations completed in 2022–2024, 38 were rated *successful*. Even excluding CPROs, PSM operations improved their success rate from 62% in 2021–2023 to 75% in 2022–2024. This improvement in PSM sector success rate reflected higher ratings for *sustainability*, up 9 percentage

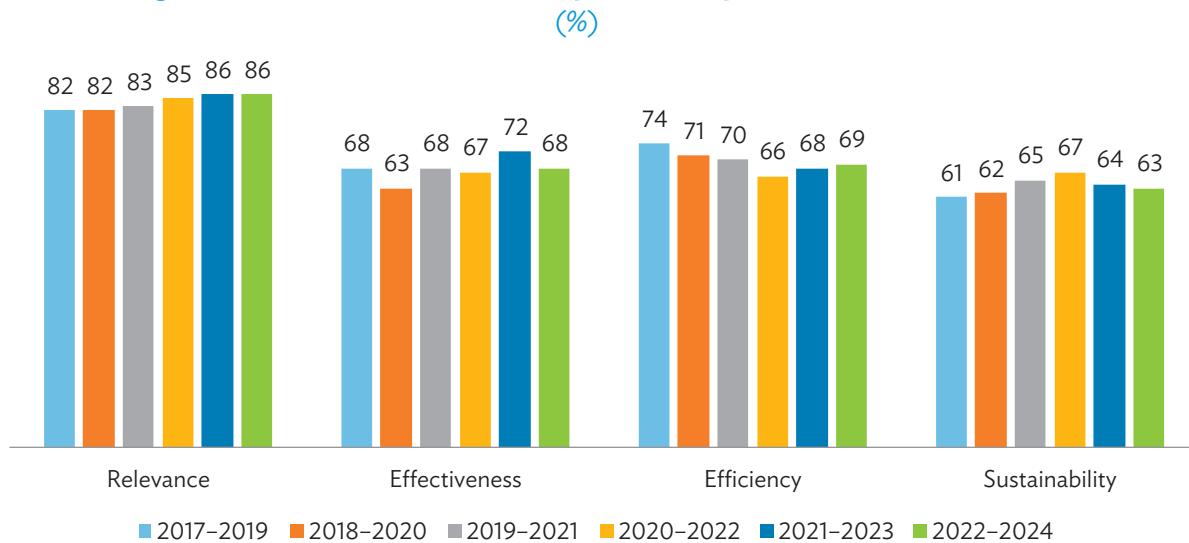
points to 75%; *efficiency*, up 11 points to 82%; and *relevance*, up 5 points to 91%. The *effectiveness* rating of PSM operations remained unchanged at 80%. While the overall performance of completed PSM operations improved, some operations were affected by implementation delays that hindered outcome delivery, as well as by DMC fiscal space limitations and a lack of follow-through on policy reform. Of the 24 PSM operations completed in 2022–2024 that were not CPROs, 13 were policy-based loans, 12 of which were rated *successful*.<sup>81</sup> A majority of these loans helped DMCs enact public finance and fiscal management reform.

**115. Mixed results on success criteria.** Of the four criteria that are weighted equally to determine project or program success, *relevance* maintained a high rate of 86% (Figure 3.3). In reporting period 2022–2024, *efficiency* improved by 1 percentage point to 69%, *effectiveness* dropped by 4 points to 68%, and *sustainability* dropped by 1 point to 63%.

The *sustainability* decline occurred across all sectors except energy, PSM, and health. COVID-19 effects continued to weigh on operations' *effectiveness* and *sustainability* ratings as the pandemic caused delays by hindering procurement and consultant recruitment, compromised the achievement of some project outputs and outcomes, and reduced estimated economic benefits.

**116. Financial and capacity issues underpin low sustainability.** Over reporting period 2022–2024, *sustainability* ratings for ADB completed operations declined (Figure 3.3). With non-infrastructure sectors such as PSM, education, health, and finance demonstrating high sustainability, the decline in sustainability came largely from infrastructure sectors. As discussed in paras. 109–111, *sustainability* ratings for infrastructure sectors reflected poor financial sustainability and weak technical and financial capacity in executing agencies to manage assets established under ADB projects. Three sectors that

**Figure 3.3: Success Rate of ADB Operations by Criterion, 2017–2024**



ADB = Asian Development Bank.

Note: An operation's inclusion in a reporting year is based on its completion report circulation date. The 3-year reporting period 2022–2024 is 1 July 2021–30 June 2024.

Source: ADB (Independent Evaluation Department).

together constituted 52% of operations completed in the reporting period—transport, ANR, and WUS—continue to be challenged by inadequate tariffs, failure to achieve expected financial internal rates of return and difficulty in accurately estimating them, and inadequate institutional arrangements for O&M, which relies excessively on government subsidies. Recognizing the fact that these challenges are largely structural in nature, ADB has, in recent years, increasingly focused on building executing agencies' operational, financial, and institutional capacity in asset management and O&M to improve the sustainability of operations.

**117. Legacy operations weighing on success rate.** Analysis of operations completed in reporting period 2022–2024 shows that older operations, some of them designed and approved as early as 2004, severely curtailed the overall success rate of the sovereign portfolio. Of 283 projects completed in the period, 145 were designed and approved before 2014, and 138 since then. Analysis found sovereign operations approved before 2014 had a success rate of only 54%, while those approved since 2014 had a much higher success rate of 82%. This stark difference is evident across sectors, with a more noticeable trend in infrastructure sectors than in non-infrastructure sectors. Infrastructure sectors achieved a 75% success rate for operations approved since 2014, versus only 50% for operations approved before 2014. Success

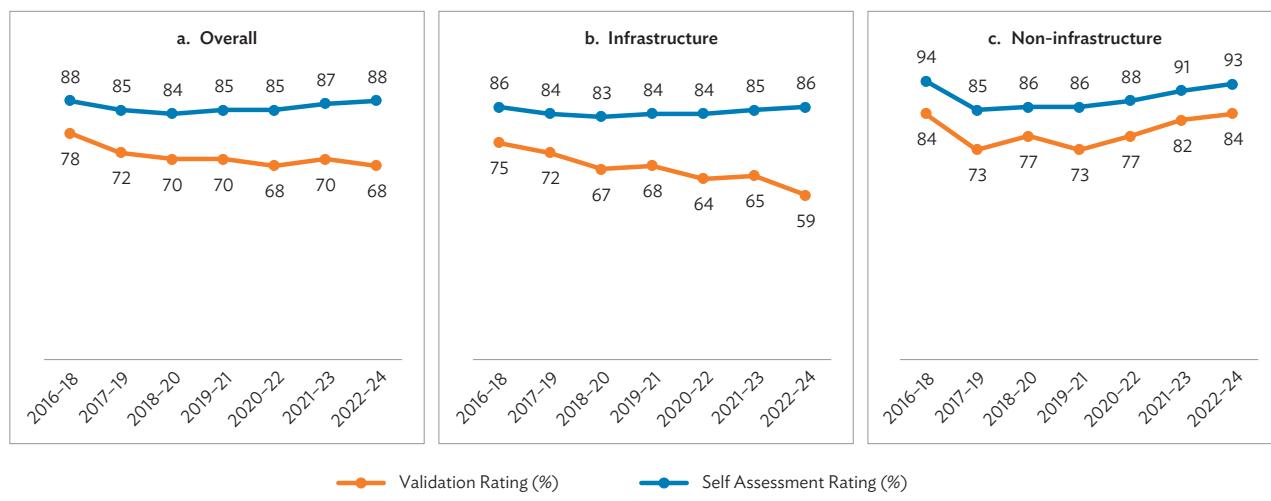
rates for non-infrastructure sectors also improved, from 75% to 87%. The WUS success rate more than triples from 23% for projects approved before 2014 to 73% for projects approved since 2014, and energy improves markedly from 68% to 81%, as does transport from 51% to 78%. The 2025 Annual Evaluation Review conducted a cohort analysis of the success rates of projects approved every year since 2008 and found average improvement by 2% every year for sovereign operations.<sup>82</sup> Excluding CPROs, annual improvement is 1% every year. This points to improved project design and project management in recent years.

118. While there is a strong trend of recent projects performing better, with improved *relevance, efficiency, effectiveness, and sustainability*, these results need to be interpreted with caution as the results may be skewed by more efficient, better-designed projects completing before laggards. With this in mind, projects completed since 2014 were analyzed comparing those completed on time with those that were delayed. There is a slight difference, as projects completed *on time* had a success rate of 83% and the projects with delayed closings had a somewhat lower success rate of 78%. While this indicates that some decline in ratings of projects approved since 2014 can be expected as older delayed projects complete over the next few years, but project quality and success rates should still be higher than those for legacy projects.

### Box 3.1: Increasing Variance Between Self-Assessment and Validation Ratings

Over the past few years, the variance between self-assessment ratings in project completion reports and project validation ratings is on the rise, with a higher number of project ratings getting downgraded. During reporting period 2022–2024, the overall variance between self-assessed success ratings—which stood at 88%—and validated success ratings—at 68%—was 20 percentage points, up from 17 points in 2021–2023 and double the variance that existed in 2016–2018. Most of these downgrades were in infrastructure sectors, in which the difference between self-evaluated and validated success ratings widened from 11 percentage points in 2016–2018 to 27 points in 2022–2024. While self-evaluation ratings for infrastructure sectors have remained fairly consistent over these years, fluctuating 1 or 2 percentage points each year, the validation ratings have trended downward. The variance for non-infrastructure sectors has remained largely consistent over the years, averaging about 10 percentage points from reporting period 2016–2018 to 2022–2024. This trend of widening variance between self-assessments and validation ratings points to a need for ensuring clearer understanding of evaluation criteria across projects and more consistency in their application both by project teams and validators. This would need close, ongoing collaboration by the Sectors Group, regional departments, and the Independent Evaluation Department.

#### Sovereign Operations Self-Assessment and Validated Ratings Variance, 2016–2024 (%)



Source: Asian Development Bank (Independent Evaluation Department).

## 2. Performance of Completed Concessional Assistance Operations

119. The success rate for completed ADB concessional assistance operations has improved for the second consecutive period, rising from 59% in reporting period 2020–2022 to 62% in 2021–2023 and 64% in 2022–2024. Policy-based operations in countries eligible for concessional assistance have improved their success rates the most, surging from 71% in 2021–2023 to 80% in 2022–2024. Investment projects, meanwhile, declined slightly from 59% to

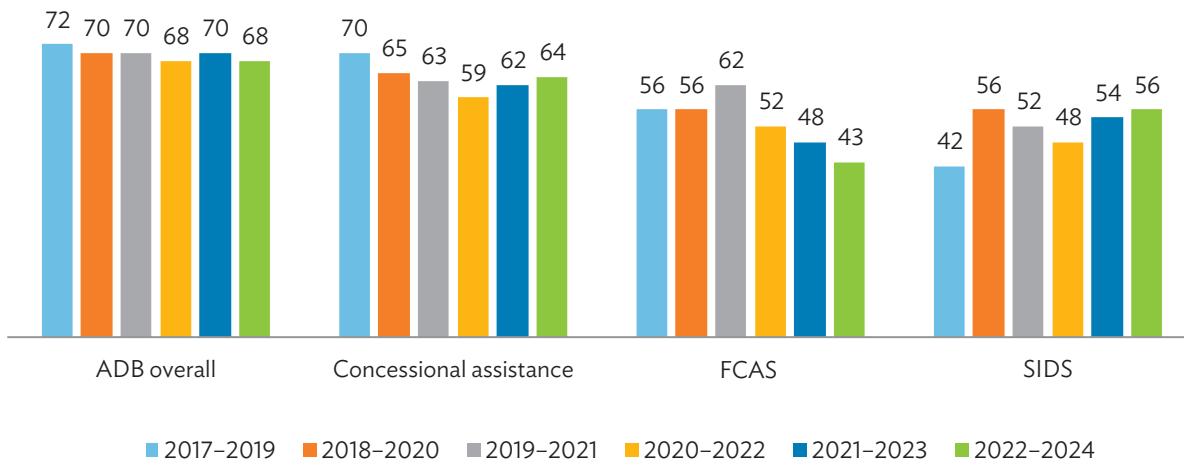
57%. This suggests that, while appetite and opportunity remain for policy improvement and reform in DMCs eligible for concessional assistance, these countries continue to face challenges related to institutional capacity and operational management. The rating for *relevance* in concessional assistance operations remained stable at 84%, and that for *efficiency* improved by 2 percentage points to 65%. Both the *effectiveness* and the *sustainability* of concessional

assistance operations, on the other hand, registered 2-percentage point declines: *effectiveness* to 65% and *sustainability* to 58%. Further, only 24% of concessional assistance operations closed *on time* in 2022–2024.

120. Operations in small island developing states improved for a success rate of 56% in 2022–2024, their second consecutive improvement (Figure 3.4). Conversely, the success of operations in fragile

and conflict-affected situations declined to a low 43%. The improvement in small island performance is largely attributed to the inclusion of CPRO operations, all of which were evaluated as *successful*. Lower success rates for operations in both of these challenging situations than for operations overall indicate an ongoing need for more tailored approaches to these specific contexts.

**Figure 3.4: Success Rates of Concessional Assistance and Operations in FCAS and SIDS (%)**



ADB = Asian Development Bank, FCAS = fragile and conflict-affected situation(s), SIDS = small island developing state(s).  
Source: ADB (Independent Evaluation Department).



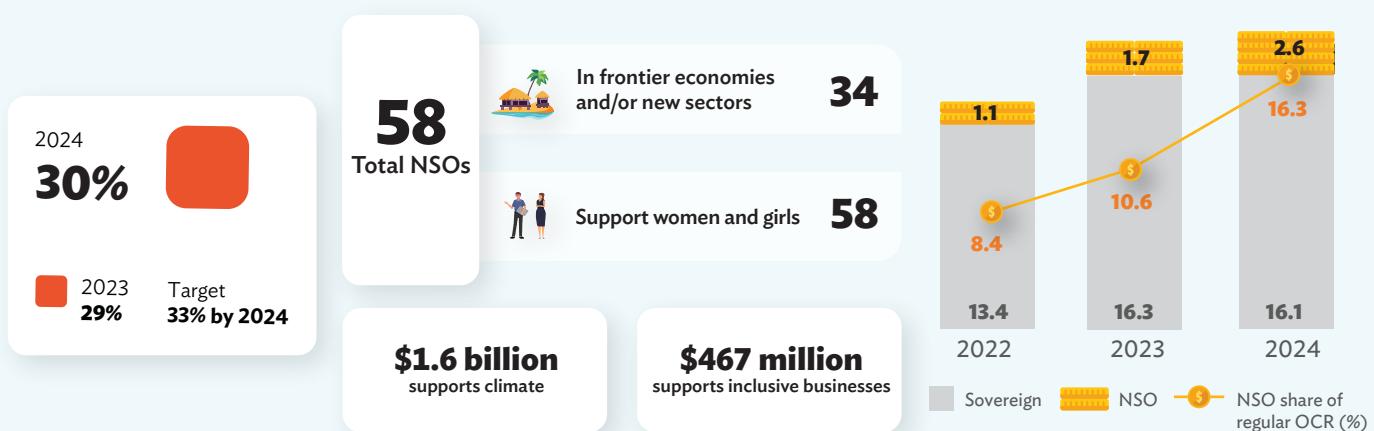
**Irrigation for food security.** The Community-Managed Agriculture Sector Project has rehabilitated farmer-managed irrigation systems, which helped farmers in 35 districts of central and eastern Nepal (photo by Samir Jung Thapa).

## CHAPTER 4

# Nonsovereign Operations

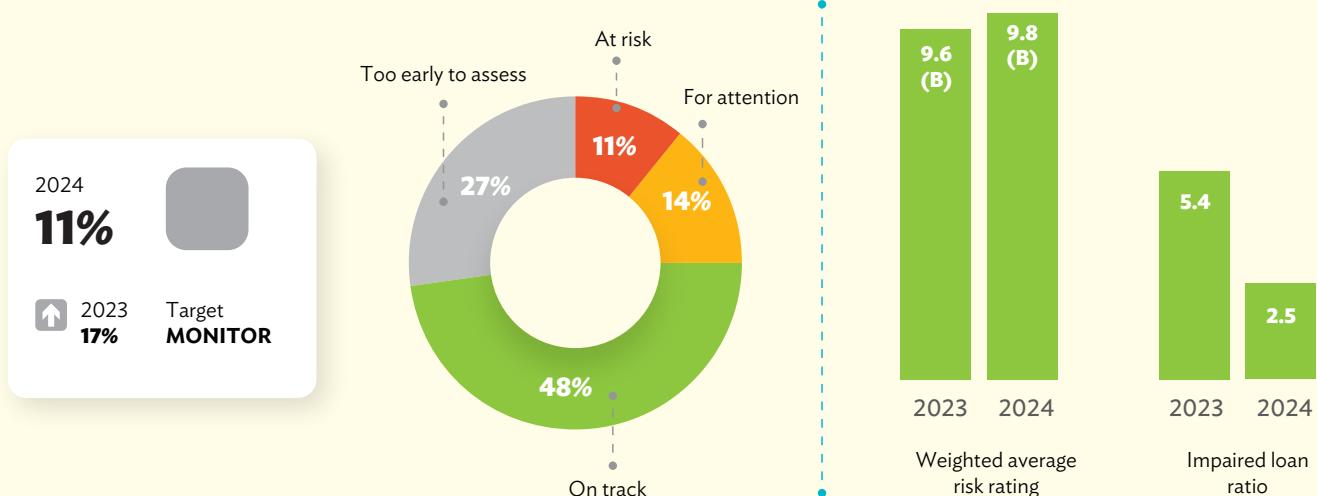
## NONSOVEREIGN OPERATION COMMITMENTS IN 2024

### Operation Commitments that are Nonsovereign



## OPERATIONS IN 2024

### NSOs at risk of not achieving development results



## OPERATIONS COMPLETED IN 2024

### NSOs at Completion Rated Successful



### Success Rating by Criterion



NSO = nonsovereign operation, OCR = ordinary capital resources.

## A. SCALING UP AND STRATEGIC FIT

121. ADB committed to a record high of 58 nonsovereign operations (NSOs) in 2024, up from 40 in 2023, improving the share of NSOs as a percentage of all ADB commitments from 29% in 2023 to 30% in 2024. In terms of funding commitments, financing for NSOs as a percentage of all ADB ordinary capital resources financing increased from 10.6% in 2023 to 16.3% in 2024. The average value of new NSO commitments also increased slightly, from \$44 million in 2023 to \$45 million.

122. While the number of new NSO commitments in frontier economies and/or new sectors fell from 63% in 2023 to 59% in 2024, it surpassed the 2024 target of 55%. In terms of contribution to crosscutting issues, NSOs continued to show strong alignment with ADB's strategic priorities. NSO commitments in 2024 continued to support the mainstreaming of issues affecting women and girls, with 100% of 58 operation commitments categorized either *gender equity theme* (GEN), *effective gender mainstreaming* (EGM), or *some gender elements* (SGE). GEN projects more than

tripled from 6 in 2023 to 20, while ADB also improved its new commitments' alignment with the global 2X Challenge gender lens investing criterion of promoting women's participation in entrepreneurship, leadership, employment, and consumption.<sup>83</sup> In 2024, 68% of NSO commitments aligned with this criterion, up from 58% in 2023. ADB also saw an increase in private sector demand for investments to mainstream new and more sustainable solutions, technologies, and supply chains across sectors that reduce greenhouse gas emissions, with NSO contribution to climate finance rising by 52% from \$1.0 billion in 2023 to \$1.6 billion in 2024. This percentage has more than tripled since 2020, when it was \$507 million. The 3-year average NSO long-term cofinancing ratio achieved an all-time high of 245%, surpassing the 2024 target of 200% for a third year in a row. The annual cofinancing ratio remained high, slipping only slightly from 270% in 2023 and to 260% in 2024. This means that every \$1.00 of ADB funding was matched in 2024 by \$2.60 in long-term cofinancing. Of 58 NSO commitments in 2024, 44 benefited from cofinancing.

## B. PERFORMANCE AT IMPLEMENTATION

123. The performance of NSOs under implementation improved significantly in 2024, and the share of the active nonsovereign portfolio *at risk of not achieving development results* declined sharply. Of 227 active NSOs, only 25 were *at risk of not achieving development results*, bringing their share down to 11%, 6 percentage points lower than in 2023 and well below the 20% threshold ADB aims to maintain. The year also saw a substantial improvement in the number of NSOs rated *on track to meet development results* from 93 in 2023 to 108. The share of operations rated *for attention* remained at 14%. The portfolio at risk has been steadily going down following the setting up of Development Effectiveness Monitoring System, which improves the visibility, at a portfolio level, of lagging cases and enables ADB to focus efforts on projects *at risk of not achieving the development results*. Aided by this

system, ADB undertook a range of actions in 2024 to improve the performance of its nonsovereign portfolio, including ensuring the timely submission of monitoring reports, filling any data gaps, building clients' capacity, and updating design and monitoring frameworks where needed.

124. In terms of credit risk, the quality of the nonsovereign credit portfolio improved, with both the nonperforming loans ratio, at 1.2%, and impairment ratio, at 2.5%, in stronger positions than in 2023. The impaired ratio declined significantly, a positive trend, from 5.4% in 2023 with write-offs, the recovery of nonsovereign assets, and rating upgrades for impaired exposures. The weighted average risk rating in 2024 dropped slightly from 9.6 to 9.8.

## C. PERFORMANCE OF COMPLETED OPERATIONS

125. The share of completed NSOs rated *successful* in reporting period 2022–2024 declined slightly to 54% from 56% in 2021–2023, meaning that ADB was unable to meet the 2024 target of 70% success rate for NSOs. A drop in the success rate of infrastructure investments from 66% to 63% and a low success rate for private equity fund investments weighed down the NSO portfolio's success rate in the reporting period. Detailed analysis is presented later in this chapter. The NSO success rate has remained largely stagnant

and below target throughout the corporate results framework, 2019–2024 period. It is worth highlighting that most projects completed during this period had implementation periods that largely overlapped with significant systemic challenges, including uneven global economic recovery from the coronavirus disease (COVID-19) pandemic and sharp volatility in commodity prices, global supply chains, and interest rates following Russia's war in Ukraine.

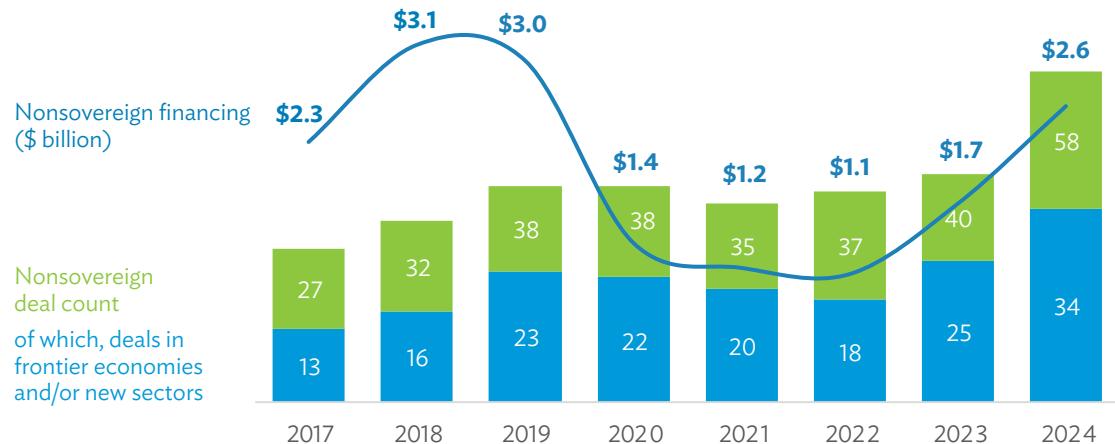
## D. IN FOCUS

### 1. Strategic Alignment of Nonsovereign Operations

126. **New highs in operation commitments.** In 2024, ADB committed to 58 NSOs, bringing the number of active NSOs to 227.<sup>84</sup> In terms of volume, ADB's NSO commitments increased by 52%, from \$1.7 billion in 2023 to \$2.6 billion (Figure 4.1). ADB continues to enhance its systems and processes to identify and prioritize key clients and better position itself to achieve ADB strategic and operational priorities. A combination of strengthened client

engagement, an expanded transaction pipeline, increased cofinancing, risk-transfer activities, business process reform such as simplifying investment proposal documents, investment committee restructuring and delegation, and the removal of redundant processes first implemented late in 2023 also led to efficiency gains, enabling more transactions to be processed. Further, ADB has adopted a more systematic and strategic approach to portfolio strengthening over

**Figure 4.1: Nonsovereign Operation Commitments, 2017–2024**



Note: Nonsovereign operation financing excludes commitments through revolving programs, which was \$2.2 billion in 2024.  
Source: Asian Development Bank (Strategy, Policy, and Partnerships Department, and Private Sector Operations Department).



the past 3 years that included client relationship management planning, enhanced communications, and a focus on building long-term relationships. Additionally, having 49% of team leaders processing transactions in field offices helped facilitate closer client interactions.

**127. Business process reforms initiated to improve efficiency.** The operationalization time for NSOs with first disbursement in 2024 increased slightly from 14.9 months in 2023 to 16.0 months, with the increase coming between approval and signing (up from 2.3 months in 2023 to 3.4 months) and between signing and first disbursement (up from 4.9 months in 2023 to 5.4 months).<sup>85</sup> Almost all of this increase in average processing time can be attributed to an outlier project, that took 42 months from concept to disbursement. Without it, the average processing time for projects reaching first disbursement in 2024 was 15.0 months. It bears noting as well that most of these projects with first disbursement in 2024 were approved in 2022 or 2023. In late 2023 and early 2024, ADB has introduced several business process reforms to NSOs that have improved the efficiency of stages between concept clearance and project approval—stages that are under ADB's direct control.<sup>86</sup> ADB therefore prioritized the implementation of reforms between the concept clearance and project approval stages by establishing a key performance indicator of 5.5 months between them in 2024. The 51 new NSOs approved in 2024 took on average 5.4 months to progress from concept clearance to approval. In addition to improvement from process reforms, the introduction in 2024 of ADB-wide accountability for NSO key performance indicators also triggered more collective action, which contributed to the increase in transactions.

128. Long-term cofinancing for NSOs totaled \$6.8 billion in 2024, and the annual long-term cofinancing ratio was 260%. Chapter 2 includes more details on nonsovereign cofinancing.

**129. Continuing efforts to invest in frontier markets.** ADB aims to redirect a larger share of NSOs to DMCs that receive concessional assistance and

into new and nontraditional sectors, notably health care, education, agribusiness, and infrastructure outside of the traditional focus on energy. In line with this, 34 of 58 NSO commitments in 2024, or 59%, were considered diversified in these terms. While this was down somewhat from 63% in 2023, it remained above the 2024 corporate target of 55%. The number of operation commitments in frontier economies increased from 16 in 2023 to 19, with Bangladesh and Mongolia having the largest share, and those in new sectors increased from 12 to 20. In an effort to grow its NSO portfolio in frontier economies, ADB aims to increasingly leverage concessional finance from ADF's Private Sector Window and through strategic initiatives such as the ADB Frontier Facility. In addition to downstream investments, ADB recognizes the importance of supporting private sector development. In line with this, ADB accelerated its efforts to create enabling environment for private sector led growth in underserved DMCs through upstream engagement and market development activities. In 2024, in addition to the NSOs, 45% of all sovereign project commitments contributed to private sector development.

**130. Strengthening access to finance.** Boosting access to finance for micro and small businesses, especially those owned by women and serving rural and peri-urban areas, is a key area of focus for ADB. The bank's first private sector loan in Thailand, the Ngern Tid Lor Access to Finance for Rural Women and Agribusiness Micro, Small, and Medium-Sized Enterprises Project, will strengthen access to formal credit for one of Thailand's most underserved sectors: micro, small, and medium-sized enterprises (MSMEs) in rural areas owned by women and/or engaged in agribusiness.<sup>87</sup> The project serves businesses exclusively in rural areas, and at least 75% of ADB's loan will be onlent to MSMEs owned by women, while 25% will be onlent to agriculture MSMEs.<sup>88</sup> ADB's Microfinance Program partnered with seven financial institutions to provide \$533 million in financing to microfinance institutions and nonbank financial institutions for onlending to nearly 900,000 micro-borrowers. Further, the program initiated collaboration with its program partners to mobilize private sector financing for resilience and environmental sustainability. Through this partnership,

the Microfinance Program has provided \$88.3 million for resilience and environmental sustainability, benefiting 339,000 smallholder and marginal farmers. Through its lending to the Women's Finance Exchange, ADB supports the digitalization of loan applications filed by small and medium-sized enterprises in Fiji and the automated collection of sex-disaggregated data; the enhancement of digital capability and operational efficiency in the Kyrgyz Republic; and the piloting in Nepal of a technology solution for alternative credit scoring for women entrepreneurs. Also through the exchange, ADB supported the Sustainability Bond Framework in Georgia to ensure that the use of proceeds aligned with international standards.

**131. Investment in inclusive businesses to address poverty and vulnerability.** In addition to supporting access to finance, ADB supports through its NSOs market-led approaches and businesses that integrate people at the bottom of the income pyramid into the commercial market. These inclusive business approaches—wherein commercially sustainable private enterprises integrate low-income segments into the mainstream economy as consumers, suppliers, distributors, and employees—aim to generate reasonable economic returns and offer tangible development impacts by providing better income opportunities, jobs, and suitable goods and services to low-income groups. In 2024, ADB committed to nine NSOs supporting inclusive business, the same number as in 2023. In the decade to 2024, ADB has invested \$3.53 billion in inclusive businesses through 77 projects, representing 21% of all NSO commitments in this period. By volume, the inclusive business portfolio grew by a significant 43% from \$328 million in 2023 to \$468 million in 2024 as the value of the average commitment for inclusive business operations rose from \$36 million to \$52 million. Most inclusive-business commitments in 2024 were in agriculture and finance and aimed to expand access to agricultural and food value chains, provide affordable housing finance, enhance access to transport, and provide agricultural credit. By collaborating with inclusive businesses and leveraging their potential, ADB aims to reduce inequality and boost the private sector as a path out of poverty and vulnerability ([Box 4.1](#)).

#### Box 4.1: Supporting Farmers' Long-Term Livelihoods Through Resilient Value Chains

The Asian Development Bank (ADB) provided a \$100 million loan to ECOM Agroindustrial Corporation Limited and ECOM Agroindustrial Asia Private Limited to enhance environmental sustainability and resilience in the region's coffee value chain. ADB funding is expected to improve and stabilize incomes for more than 62,000 smallholder farmers in India, Indonesia, Papua New Guinea (PNG), and Viet Nam. This will enable them to invest in environment-friendly agricultural practices to strengthen their livelihoods and resilience over the long term. The project will enhance the reach of ECOM's sustainability initiatives under its Sustainability Management Systems Program, including support for certification and other potential sustainability pilot projects. An accompanying technical assistance grant will strengthen women's participation in the supply chain, particularly in PNG, by empowering women in decision-making, reducing violence, and increasing access to resources. Technical assistance will help smallholder coffee farmers in PNG and Viet Nam adopt resilient practices and enhance women's roles in family decision-making.

Source: Asian Development Bank.

**132. Support for trade finance in the face of a global trade slowdown and high interest rates.** ADB's Trade and Supply Chain Finance Program aims to maximize development impact from trade. It uses guarantees, loans, knowledge solutions, and thought leadership to make trade and supply chains more inclusive, resilient, transparent, and socially responsible. In 2024, the program delivered guarantees and loans through over 27,000 transactions valued at \$4.9 billion, supporting DMCs where the private sector requires support, notably Bangladesh, Pakistan, and Sri Lanka. Of this amount, \$1.2 billion supported the food and agriculture sector, while \$2.9 billion was mobilized through risk-sharing agreements. In addition, \$2.9 billion of the program's total business volume supported intraregional transactions, and \$600 million supported transactions between DMCs.

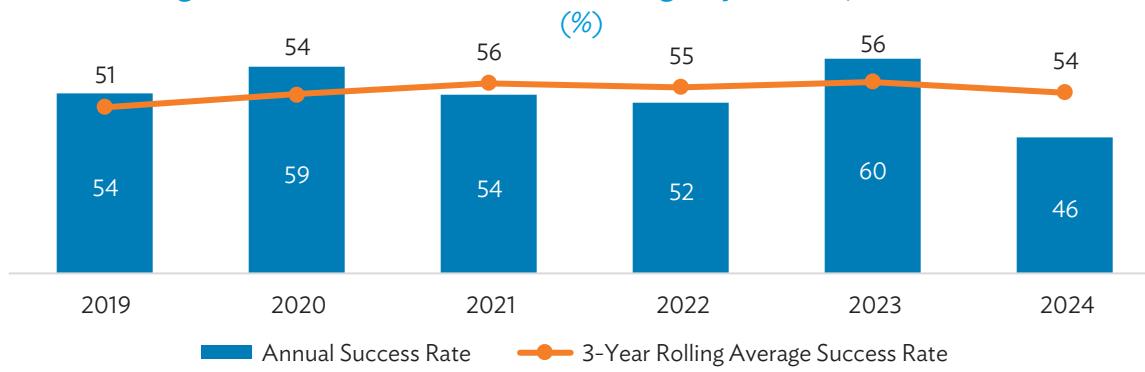
## 2. Main Factors Affecting Success Rates

133. Among 87 NSOs completed in reporting period 2022–2024, 47 were rated *successful*. This success rate of 54% was slightly lower than 56% in 2021–2023 and well below the 2024 target of 70% (Figure 4.2).

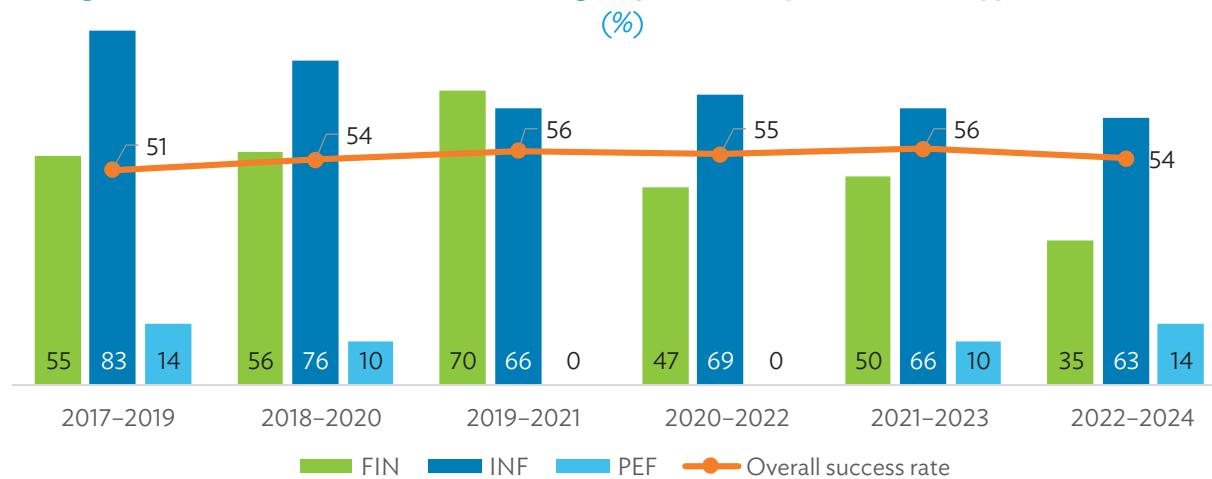
134. **Investments in infrastructure outperforming financial institutions and private equity funds.** Since reporting period 2017–2019, the first in the corporate results framework, 2019–2024, the 3-year rolling success rate of completed nonsovereign projects has stagnated between 51%–56%. Any fluctuation is largely determined by the share of infrastructure projects completed: the more infrastructure projects, the higher the success rate. Infrastructure investments have consistently enjoyed higher success rates than private equity funds (PEFs) and investments in financial institutions (Figure 4.3). In reporting period 2022–2024, even though infrastructure investments saw a slight decline in success rate from 66% in 2021–2023 to 63%, they continued to contribute the largest number of successful operations to the nonsovereign portfolio. Of 47 NSOs rated *successful* during this period, 40, or 85%, were infrastructure investments, mostly in renewable energy generation. Of 42 investments in the energy sector completing in 2022–2024, 33 were rated *successful*, bringing the success rate of ADB NSOs in energy to 79%, the highest among the different types of NSO investments.

135. Meanwhile, the PEF and financial institutions portfolios continued to face challenges and record lower success rates. Among NSOs completed in 2022–2024, only 6 of 17 investments in financial institutions, or 35%, and 1 of 7 investments in PEFs, or 14%, were rated *successful*. The only PEF investment completed in 2024 failed to achieve a satisfactory rating on any of the four sub-criteria: development results, additionality, profitability, or work quality. Further, none of ADB's 19 PEF operations completed and validated since 2019 has been rated *satisfactory* on *investment profitability*. ADB's investments in PEFs have long suffered from issues related to selection and screening, poor management by fund managers who sometimes lack the required experience, frequent changes in fund managers, and weak monitoring and supervision that may allow a fund to deviate from its investment mandate and underperform on development results. Adding to this complexity is the long duration of PEF investments: an average of 12 years for those completed in 2022–2024. Such long tenures, coupled with the weak supervision, pose challenges of maintaining a high quality of, and continued, oversight of a fund's operations, leading to issues like strategy drift and poor investments by the fund. Investments in financial institutions—especially those in housing finance, MSME finance, and trade finance—were severely affected by the COVID-19

**Figure 4.2: Success Rate of Nonsovereign Operations, 2019–2024**



Notes: Success rates are from extended annual review validation reports provided by the Independent Evaluation Department. The reporting year is based on the circulation date of the project's extended annual review report.  
Source: Asian Development Bank (Independent Evaluation Department).

**Figure 4.3: Success Rates of Nonsovereign Operations by Investment Type, 2017–2024**

FIN = finance, INF = infrastructure, PEF = project equity fund.

Notes: Success rates are from extended annual review validation reports provided by the Independent Evaluation Department. The reporting year, based on the circulation date of the project's extended annual review report, ends on 30 June, so reporting period 2022–2024 is 1 July 2021–30 June 2024.

Source: Asian Development Bank (Independent Evaluation Department).

pandemic. While the financial performance of ADB investments in financial institutions remained relatively high, with 65% of these operations rated *satisfactory* for *investment profitability*, most of them were not able to fully achieve their output and outcome targets identified in the design and monitoring framework (DMF), leading to a *development results* rating of only 47%.

136. Most PEF and financial institution investments completed in reporting period 2022–2024 were affected by a range of extraneous issues over their lifetimes—such as COVID-19, policy changes, interest rate hikes, geopolitical issues, and the global trade slowdown—but their DMFs were not revised to factor in these developments. In recent years, ADB has taken concrete steps to address some of these issues by (i) initiating corrective action plans wherever needed, (ii) initiating change-in-scope memos to counter direct or indirect consequences of the pandemic and macroeconomic challenges, (iii) implementing a minimum return requirement methodology, and (iv) establishing processes to enable ongoing comprehensive feedback to enable deal teams to implement appropriate actions to resolve problematic accounts. Additional actions specifically focused on

PEF investments have also been taken in recent years, including improved selection and screening of fund managers, strengthened monitoring and supervision for consistency with investment mandates, and early identification of underperformance on development effectiveness. This is expected to translate into higher success rates for PEF investments in the periods ahead.

**137. More recently approved projects performing better.** As with sovereign operations, the success rate of completed NSOs is also weighed down by legacy projects. While the success rate for projects completed in reporting period 2022–2024 remains below the 70% target, an analysis of completed NSOs by approval year shows that NSOs approved before 2017 and completed during the reporting period had an average success rate of only 36%, well below 67% for those designed and approved since 2017. For infrastructure investments, the success rate for projects designed since 2017 is 71%, compared with only 48% for projects designed before then. Similar trends in improved success ratings are found for investments in financial institutions, though these investments continue to be the most affected by external events. All PEF investments completed in 2022–2024 were designed before 2017, with the youngest of them having been

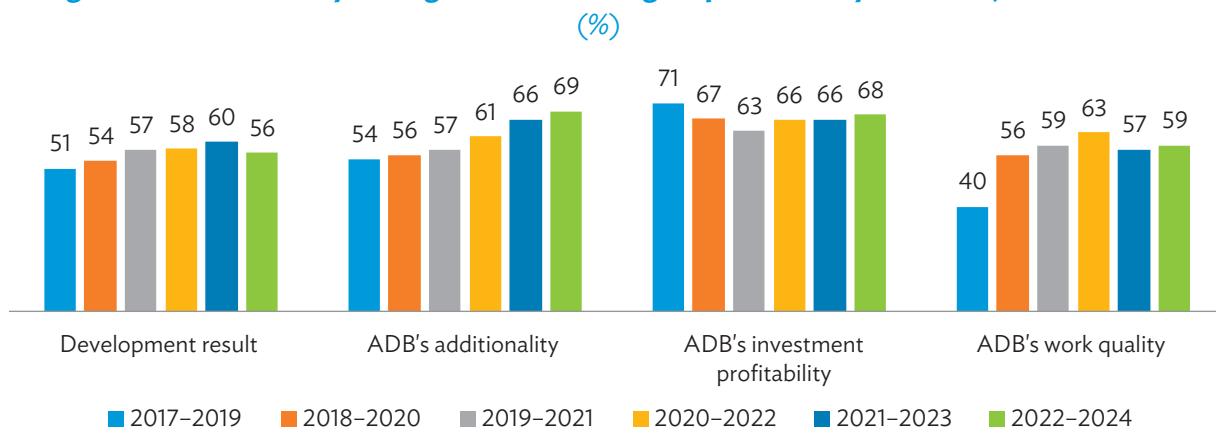
approved in 2012. This improving trend in success rate by year of approval is also noted in the 2025 Annual Evaluation Review, which notes that the NSO success rate at completion improved by 5.3% annually among approvals in 2009–2020.<sup>89</sup> These trends show that, over the past few years, there has been a strong focus on improved screening, design, and management of NSOs, and indicate a likely improvement in the success rate of NSOs in the future.

**138. Improvement in three of the four criteria undermined by development result.** Satisfactory ratings were up for three of the four criteria used to assess NSO performance at completion: *additionality*, *investment profitability*, and *work quality* (Figure 4.4).<sup>90</sup> *Additionality* improved from 66% in reporting period 2021–2023 to 69% in 2022–2024, *investment profitability* from 66% to 68%, and *work quality* from 57% to 59%. However, despite improvements in these criteria, the overall success rate of NSO operations declined due to a drop in the ratings for *development results*. After improving for five consecutive reporting periods, the rating saw a 4 percentage points decline in 2022–2024 to 56%. This drop was driven primarily by the latent impact of the COVID-19 pandemic observed in investments completing in the 2022–2024 period, with investment in sectors ranging from air transportation to wholesale broadband severely affected and able to achieve only some

of their DMF targets, causing projects to be rated *unsatisfactory* for *development results*. An issue affecting some DMFs was the setting of targets that were hard to measure or disproportionately ambitious relative to project outputs and outcome. Another issue was insufficient use of the change-in-scope process to update DMFs in response to evolving circumstances. In recent years, efforts have been made to improve the quality of DMFs, adjust project ambitions in response to external events, and ensure robust data availability for evaluation. These efforts are expected to enable more positive trends in *development results*.

**139. Organization efforts and process improvements contribute to improved additionality.** As noted above and seen in Figure 4.4, ADB has made notable improvements in its *additionality* since reporting period 2017–2019 with a range of activities undertaken to enhance the *additionality* of its investments, including issuing *Guidelines on Additionality in Nonsovereign Operations*. In more than two-thirds of completed NSOs, ADB demonstrated *additionality* by providing financing for longer duration and at competitive interest rates, using innovative financing structures and instruments, and mitigating risk for high-risk investments. The *additionality* rating was broadly hampered, however, by PEF investments, only 43% of which demonstrated *additionality*. As these were all

**Figure 4.4: Satisfactory Ratings of Nonsovereign Operations by Criterion, 2017–2024**



ADB = Asian Development Bank.

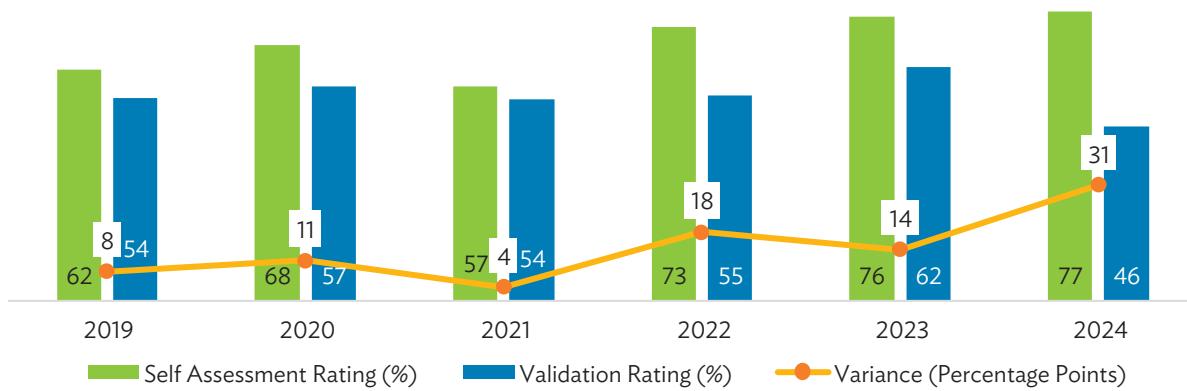
Source: ADB (Independent Evaluation Department).

legacy investments more than 10 years old, they did not benefit from more recent work done by ADB to improve additionality in its investments.

140. Apart from *additionality*, ADB has also improved NSO *investment profitability* ratings in the last four reporting periods, from 63% in 2019–2021 to 68% in 2022–2024. This improvement has been driven by infrastructure investments, 68% of them rated *satisfactory on investment profitability*, and by investments in financial institutions, at 65%. The *work quality* rating of ADB's NSOs has also increased significantly over the corporate results framework, 2019–2024 period, rising from 40% in 2017–2019 to 59% in 2022–2024. The *work quality* criterion reviews ADB's performance in (i) screening, appraisal, and structuring; and (ii) monitoring and supervision. Some of the other issues that affected work quality of NSOs include weaknesses in project design at entry, including insufficient consideration of regulatory risks and market competition; inadequate risk assessment; and miscalculation of financial internal rates of return at appraisal, etc. As discussed in paras. 135–137, ADB's Private Sector Operations Department has undertaken several reforms to improve the quality of projects at entry and the quality of monitoring and supervision across the NSO's life cycle. These efforts have contributed to the improvements in *work quality* ratings and will likely continue to improve them as more recently designed projects near completion.

**141. Worsening variance between self-assessment and validation ratings.** As with sovereign operations, there is a trend of rating downgrade between self-assessment and validation for NSOs (Figure 4.5). Over the years, this gap has widened from 8 percentage points in 2019 to 31 percentage points in the 2024—the steepest ratings downgrade in recent years. The criteria driving downgrades for NSOs have been *development results*, downgraded by 38 percentage points in 2024, and *work quality*, downgraded by 35 points. Downgrades derive primarily from such qualitative factors as the quality of DMFs; the timeliness of DMF updates through change-in-scope memos to reflect emerging market realities; and DMFs lacking indicators that go beyond company effects to measure contributions to wider private sector development, even when no such targets were established at project approval. In some instances, prepayment of loans by the borrowers, leading to DMF targets not being achieved fully has also led to downgrading of success ratings for NSOs. While the data shows an increasing trend in ratings downgrade, it is equally important to note that this trend is accompanied by a steep increase in the self-assessment rating of completed NSOs, jumping from 57% in 2021 to 77% in 2024. These trends of increasing self-assessment ratings and the worsening variance necessitate a need for ensuring greater clarity in understanding and consistency in application of the evaluation criteria by both the project teams and validators.

**Figure 4.5: Ratings Downgrades for Completed Nonsovereign Operations, 2019–2024**



Source: Asian Development Bank (Independent Evaluation Department).



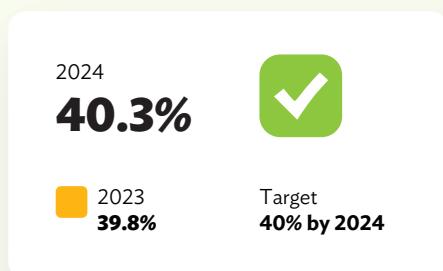
**Something brewing.** A farmworker picks coffee berries in Amadeo, Cavite, Philippines. Attracted by better pay, male farmhands have left to work in construction, leaving farm labor to their wives (photo by Lester Ledesma).

## CHAPTER 5

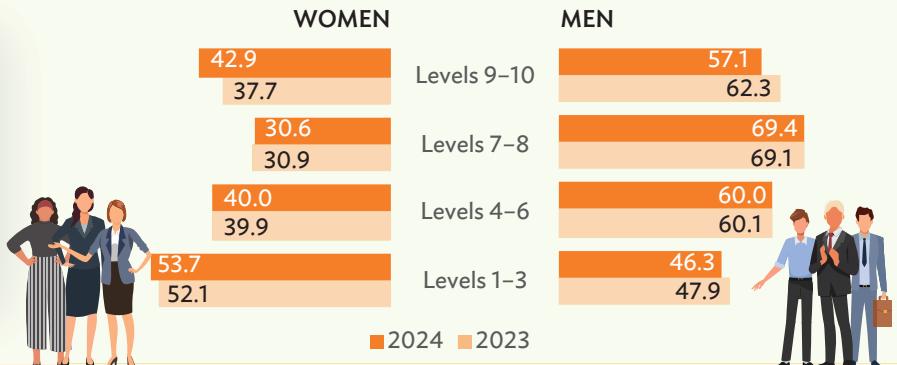
# Organizational Effectiveness

## ACHIEVING A GENDER-BALANCED WORKFORCE

### Representation of Women in the International Staff Category

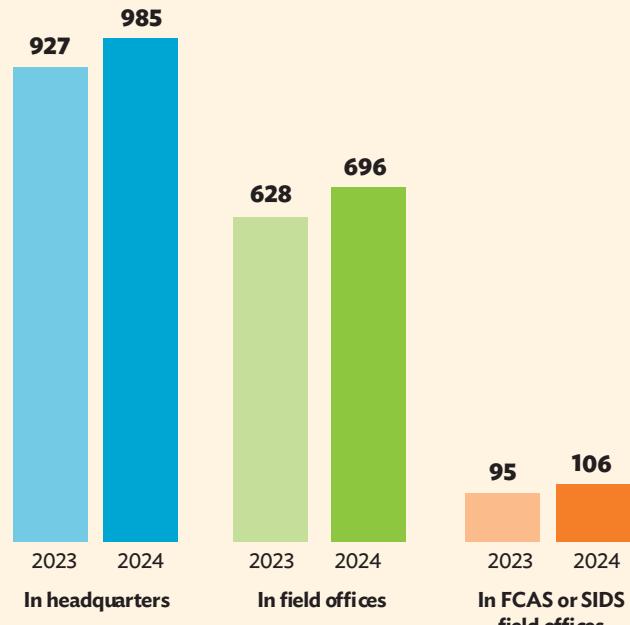


### Share of Women and Men in the International Staff Category by Level (%)

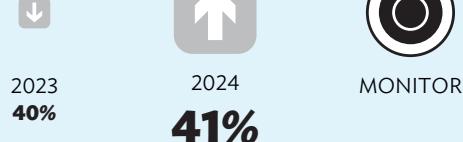


## MAINTAINING A STRONG COUNTRY PRESENCE

### Staff Positions in Operations Departments



### Budgeted Staff Positions in Field Offices (as a share of total staff positions in operations)

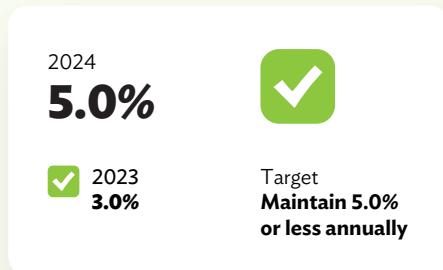


### Sovereign Operations Administered in Field Offices (as a share of total sovereign operations under administration)



## SUSTAINING OPTIMAL BUDGET UTILIZATION

### Quality of Budget Management



### Internal Administrative Expenses per:



FCAS = fragile and conflict-affected situation(s), SIDS = small island developing state(s).

## A. ORGANIZATIONAL SYSTEMS AND PROCESSES

**142. New corporate initiatives setting the path for ADB's evolution.** In 2024, ADB approved its Strategy 2030 midterm review, which serves as a road map for the organization to transform itself in a rapidly changing development landscape while achieving its new organizational vision: "Solving challenges together, connecting the region, and empowering people for dynamic economies and a healthy planet." In support of this, the new corporate results framework (CRF), 2025–2030 was approved in 2024.<sup>91</sup> (Appendix 1) It reflects ADB's strategic ambitions and aims to enhance development effectiveness by streamlining indicators, strengthening methodologies, and focusing on outcome-oriented metrics linked to the Sustainable Development Goals. The new CRF clarifies strategic priorities, strengthens monitoring, and creates incentives to support the successful mapping and execution of ADB's evolution. Along with these two newly approved corporate initiatives, ADB undertook a range of activities under phase 2 of

the new operating model to scale up and deploy its financial capacity effectively, empower staff to deliver impactful solutions, and update systems and processes to transform the way ADB works for more efficient and high-quality delivery of operations (Box 5.1).

**143. Improved representation of women in ADB workforce.** In 2024, the female share in ADB's international staff increased from 39.8% in 2023 to 40.3%, bringing total female staff numbers to 602 of 1,495. Female representation in international staff improved across levels, driven by a 43.9% share of new international staff appointments in 2024 and a decline in female international staff attrition, from 7.0% to 5.9%. Female representation in senior management (IS9–10) also increased from 37.7% in 2023 to 42.9%. This result is attributed to more IS8–9 females advancing into IS9–10 roles and a lower attrition rate for this group.

### Box 5.1: Implementation of Phase 2 of the New Operating Model

ADB began transforming its operating model in 2023 in response to the need for a more agile, integrated, and client-responsive approach in a changing development landscape. In a three-phased approach, the first phase focused on establishing centers of excellence by consolidating headquarters expertise; making resident missions one-stop shops for ADB's sovereign, nonsovereign, and advisory operations; and initiating business process streamlining.

In 2024, phase 2 of the new operating model deepened integration between headquarters and resident missions, advanced decentralization, and refined operational processes to enhance effectiveness. A key milestone was the outposting of about 70 international staff from operations departments at headquarters to resident missions through expressions of interests to outposting opportunities under the new operating model. Resident mission structures were optimized, with field staff integrated into ADB-wide sector and thematic groups to improve efficiency and the deployment of technical expertise. Concurrently, a more structured approach to private sector development was introduced, including new checklists for assessing its contributions from sovereign projects. Internal work programming systems were enhanced through the introduction of key corporate performance indicators formulated in line with ADB's strategic priorities, internal processes, and collaboration. Key corporate performance indicators align departmental efforts with country programs and ADB's corporate targets. Additionally, a new performance-based management framework with matrix reporting was implemented to foster accountability to country results and cross-functional collaboration under country directors' guidance. Business processes continued to be refined using lessons from phase 1, further improving ADB's ability to deliver timely and high-impact solutions.

Source: Asian Development Bank.

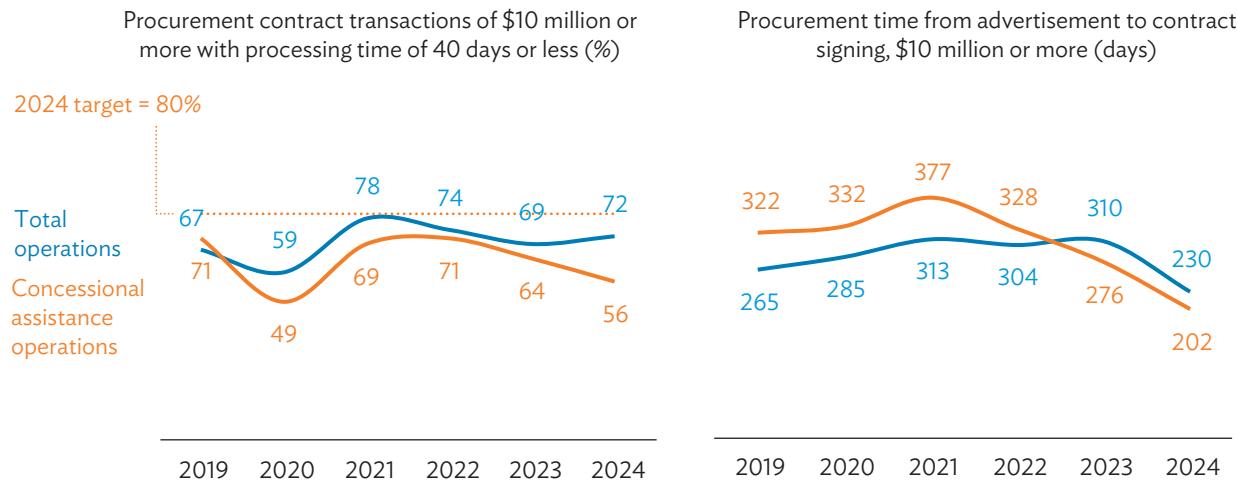
144. In addition to greater representation in the workforce, ADB continued to undertake corporate initiatives to support a balanced workforce with the dissemination and implementation of an updated Gender Action Plan, 2024–2030 across the organization.<sup>92</sup> The action plan identifies 10 priority actions to attract and recruit talent, develop leadership, and ensure organization-wide accountability and ownership. The plan emphasizes collective accountability, highlights the importance of complementary efforts that support women in the workforce, and allows flexibility for additional actions as needed. The action plan aims to further raise female representation in international staff to 45% by 2030.

**145. Sovereign operations processing time improved.** The CRF measures project processing efficiency as the time taken for sovereign operations excluding policy-based operations, to design and process projects from concept note to first disbursement. Over the years, ADB has introduced several process reforms to improve processing efficiency (Box 5.2). For projects reaching disbursement in 2024, the overall time taken from concept clearance to first disbursement improved by almost 11%, from 37.6 months in 2023 to 33.3 months

in 2024. This includes processes from concept clearance to project approval, over which ADB has a direct control, and client processes related to signing and disbursement, over which ADB has less control.

**146. Improved procurement efficiency.** The efficiency of ADB's procurement process for sovereign operations is monitored by determining the percentage of procurement transactions valued at \$10 million or more that were processed within the target time frame of 40 days or less through the procurement review system.<sup>93</sup> In 2024, ADB improved this indicator performance by 3 percentage points, from 69% to 72%, but failed to achieve the 80% target. The shortfall can be largely attributed to the rate for concessional assistance operations, which declined sharply for a second consecutive year, dropping by 8 percentage points from 64% in 2023 to 56% in 2024 (Figure 5.1). This reflects DMC counterpart agencies, particularly in concessional assistance countries, taking longer to address ADB comments and a need for multiple rounds of review. In 2024, to address this challenge and support the implementation of ADB's new operating model, procurement and financial management specialists were strategically deployed across countries, regions, and sectors.

**Figure 5.1: Sovereign Procurement Processing Time**

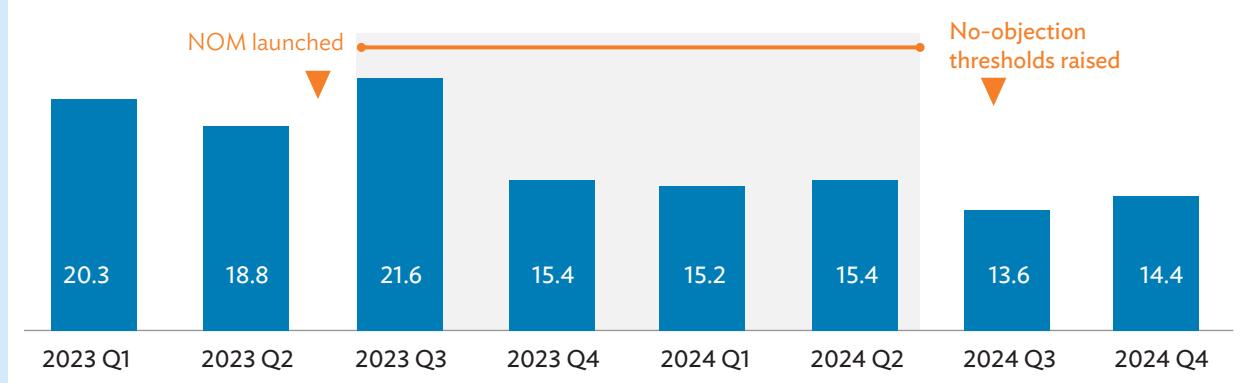


Source: Asian Development Bank (Procurement, Portfolio, and Financial Management Department).

## Box 5.2: Business Process Reforms Improving the Processing Efficiency of Sovereign Operations

As part of the new operating model, the Asian Development Bank (ADB) has introduced several business process reforms that have improved the time taken from concept clearance to project approval. Process reforms implemented since then have contributed to further improvements in the processing times for projects approved in 2024 as the average time taken for sovereign projects to move from concept clearance to approval improved from 18.8 months in the second quarter of 2023, just before the implementation of the new operating model, to 14.4 months by the end of 2024 (figure). ADB has strengthened engagement between the Board and Management, thereby facilitating timely discussions on critical corporate policies, strategic issues, country strategies, and sector operations. Additionally, project approval thresholds were refined, applying the no-objection approval procedure to sovereign investment projects worth up to \$400 million, and to policy-based loans up to \$100 million, while maintaining qualitative criteria. This allows the Board to focus its attention on more complex transactions and critical issues, and helps improve processing efficiency without compromising on the quality of projects. These business process reforms contributed to a 12% increase in the number of sovereign projects approved in 2023, and a further 14% increase in approvals in 2024.

**Quarterly Average Processing Time for Sovereign Operations (Concept to Loan Approval), Months**



NOM = new operating model, Q = quarter.

Notes:

1. Data excludes technical assistance, project readiness financing, facility-type modalities (the small expenditure financing facility, Inclusive FinTech Forum, and multitranche financing facility), Japan Fund for Prosperous and Resilient Asia and the Pacific grants, and where concept clearance is not available (e.g., subsequent policy-based loan subprograms).
2. Multitranche financing facilities are excluded to avoid double counting, but processing milestones were considered for the associated first tranche.
3. The date of receipt of periodic financing requests from governments are used as proxies for concept clearance of multitranche finance facility tranches, and vice-president approval is used for emergency assistance loans, novel financing arrangements, and the Asia Pacific Vaccine Access Facility.
4. The approval date of the concept memo, or clearance to initiate processing of a grant project, was used as a proxy for concept clearance for additional financing and the Asia Pacific Disaster Response Fund.

Source: Asian Development Bank (Strategy, Policy, and Partnerships Department).

147. ADB made efforts to strengthen country procurement systems by finalizing the country procurement capacity development plans for 10 DMCs and conducting knowledge-sharing and capacity-building programs on procurement for participants from 35 DMCs. Further, ADB and other multilateral development banks launched the

Sustainable Procurement Resource Hub, a common online platform to exchange data and information on the latest approaches and advances in sustainable public procurement, covering the entire procurement cycle, from planning, contract specification, and evaluation to contract management.<sup>94</sup>

148. **Budget utilization on target.** In 2024, only 4.6% of ADB's internal administrative budget was unutilized, within the target of 5% or less. This achievement can be attributed to proactive budget oversight and strong interdepartmental coordination toward successfully navigating the uncertainties of the first full year of implementing the new operating model. Throughout the year, the 2024 budget was regularly monitored and analyzed toward reestablishing departmental

budget baselines under the new operating model for 2025 and beyond. Budget flexibility mechanisms such as reallocation were employed to address any emerging requirements, including sustainability reporting and security measures for the reopening of the Afghanistan Resident Mission, which were not initially included in the budget.<sup>95</sup> These measures ensured optimal budget utilization while maintaining alignment with ADB's evolving priorities.

## B. ORGANIZATIONAL CAPACITY

149. **Robust capitalization.** ADB remains well capitalized to support its expanding operations, with a capital utilization ratio of 71.5%, up 1.5 percentage points from 70.0% in 2023. This follows updates to ADB's capital adequacy framework approved in 2023, which significantly increased ADB's lending capacity. To manage its balance sheet prudently and mitigate concentration risk, ADB approved the exposure limits framework that defines ADB's risk appetite in consideration of its AAA credit rating. Additionally, departments closely collaborated to develop the *Capital Utilization Plan*, a 10-year plan to scale up ADB's development impact through high-quality sovereign and nonsovereign operations and effective capital utilization, and to address shortfalls in meeting Strategy 2030 objectives.<sup>96</sup>

150. **Strengthened on-ground presence for enhanced country engagement.** ADB increased the number of international and national staff positions in field offices from 628 in 2023 to 696 in 2024. This 11% increase, higher than a 5% increase in 2023, was accomplished through the creation of new positions in field offices under the Workforce Rebalancing Framework, and by outposting more international staff to field offices as part of the decentralization efforts under the new operating model. Additional national staff positions in the field include roles in education, environmental and social safeguards, and market development and advisory services. These efforts aim to strengthen country engagement by having more staff positioned closer to clients and so able to provide solutions tailored to DMCs'

unique operating and policy contexts. Additionally, about 70 international staff were outposted from headquarters to resident missions from the Sectors Group; Office of Safeguards; Private Sector Operations Department; and Procurement, Portfolio, and Financial Management Department through expressions of interests to opportunities under the new operating model. ADB increased staff presence in DMCs facing fragile and conflict-affected situations and small island developing states, adding 11 new positions to increase staff strength from 95 in 2023 to 106 in 2024. These placements include additional staff in Timor-Leste and Solomon Islands, and outpostings to resident missions in Fiji and Papua New Guinea. As a result, the share of staff positions assigned to field offices rose slightly from 40% of all operations departments staff in 2023 to 41% in 2024. Meanwhile, in 2024, 357 of 642 active operations were administered in field offices, representing 56% of ADB's active sovereign portfolio.

151. **Continuous learning for a dynamic workforce.** In 2024, 42.4% of the whole ADB workforce, amounting to 1,729 unique staff members, engaged in various forms of training. The average number of training days per staff member increased from 3.9 to 4.8, encompassing in-house training, external learning, and online courses. The average investment on training per staff member decreased from \$1,435 to \$1,129 as the number of trainees rose from 3,956 to 4,699, and the number of training days from 6,185 to 8,197. These efficiencies were facilitated by the introduction of new training programs, a higher adoption rate of short-form virtual programs, greater use of online courses,

and more effective utilization of the external learning budget. Further, to streamline operations and enhance agility, ADB developed a simplified and less hierarchical job architecture in 2024 for rollout in 2025. In addition, the staff performance management system was improved to better differentiate staff performance and support matrix management arrangements.

**152. Strengthened institutional capability through digital transformation.** Over the past few years, ADB has undertaken a comprehensive and strategic effort to enhance its digital capability and improve overall institutional efficiency. ADB internal systems vary in age, customization, and usage. They encompass more than 400 digital products, 200 applications, and about 1,000 modules supporting business functions. This illustrates the vast and complex digital environment within which ADB operates. In 2024, ADB continued to strengthen its digital capability by introducing new functionalities and systems to modernize ADB processes, thereby improving operations delivery, strengthening data-driven decision-making, and introducing across the organization new and innovative ways of working, including the use of artificial intelligence (AI).

153. A total of 53 new digital products were delivered in 2024, including many that leveraged

the transformative power of AI to improve ADB's productivity and efficiency. Some of these solutions include ADB Genie, which was launched to augment the bank's development research and boost knowledge work with initial applications in audit, evaluation, and procurement functions; Navigator, which was introduced to improve staff members' access to curated internal content; and an AI engine called EVA, which was developed to automate the extraction of knowledge and lessons from ADB documents, notably project completion reports and project validation reports. Several information technology systems and databases were developed to support programming and portfolio monitoring, and knowledge sharing for business operations. These tools boost staff productivity, enhance ADB's enterprise knowledge, and facilitate decision-making through near-instant information retrieval and summation. Further details on ADB's digital transformation are presented on pages 68–69.

154. In addition to introducing new digital technology to enhance the efficiency of ADB processes, the bank continued to invest in building digital capability in its staff (Box 5.3). The 2024 Staff Engagement Survey revealed that 78% of staff found the organization effective in digital transformation, surpassing the 75% target for the year.

### Box 5.3: ADB's Digital Capacity Building Programs

**Driving Digital Leadership Program.** Launched in 2022, the Driving Digital Leadership Program aims to accelerate the Asian Development Bank's (ADB's) digital transformation journey by developing digital mindsets in its leaders. The program aims to empower ADB leaders with the skills they need to identify and deliver digital opportunities and strategies with an emphasis on artificial intelligence, act as entrepreneurs to develop digital business opportunities, and drive transformation.

**Digital x ADB, Data x ADB.** These workshops host knowledge sessions and workshops to raise awareness, drive conversations, and build momentum within ADB (Digital x ADB), and with clients in developing member countries (Data x ADB) on how to help them strategically to maximize digital opportunities. The workshops provide learning opportunities about digital technologies that are being integrated into ADB operations, investments, and other work.

**Digital Fitness Program.** This program is designed to equip ADB personnel with a basic understanding of digital technologies and their effective use at work. It covers a wide range of topics, including artificial intelligence, process automation, and big data, to promote self-paced learning with curated content.

Source: Asian Development Bank.

# ADB Digital Transformation Initiatives

ADB's digital transformation is driving innovation with AI-powered tools, smart systems, and digital solutions that enhance productivity, decision-making, and operational efficiency.

## Key Digital Products Delivered



Sovereign Operations modules facilitating access to project information and providing a single source of pipeline data, supporting process improvements and better decision-making

Consolidated Risk and Nonsovereign Operations DataMart with self-service analytics and business-oriented reporting capabilities

Public-Private Partnership Monitoring and Evaluation System to identify, capture, and manage PPP data and milestones in ADB projects

Gender Equality Management System to capture gender mainstreaming across the project cycle, enable data reporting on gender action plans across projects in real time, and facilitate corporate reporting of gender equality results

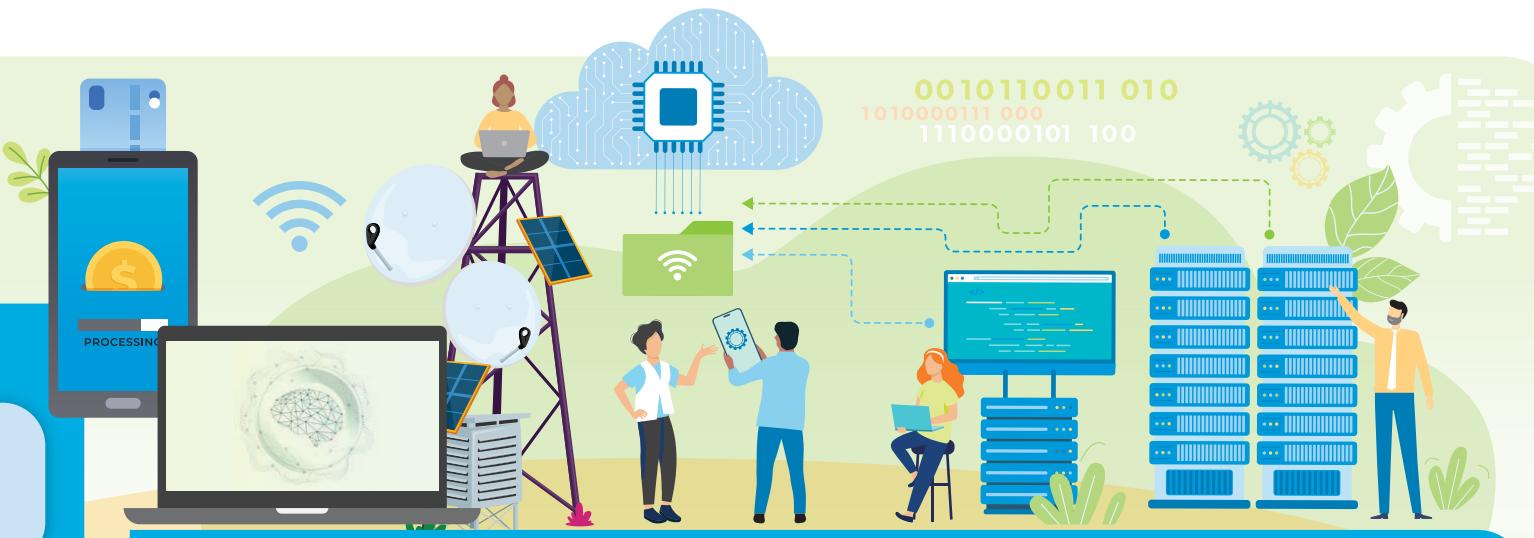
Green Financing Platform to evaluate green investment proposals and help investors get accreditation

Economic Research and Development Impact platform tool efficiently manages and provides access to economic data within ADB, and allows secure and easy access, analysis, and retrieval of data

Excellerate New Talent Management System for better management of performance reviews and skills profiles

Centralized knowledge portals and one-stop shops for CTL and human resources queries (AskCTL, AskHR)

Government Relations System, a central request management system for any process that supports government relations management and Tax-Exempt Vehicle Management



## Digital Products



**43**

projects were delivered under Digital Agenda 2030 Stage 1 (DAS1) over the last 5 years



**53**

new digital products delivered in 2024 from DAS1 and other IT initiatives (total of 314 digital products delivered since 2019)



**Around 800**

enhancements and upgrades to existing systems

## INVESTMENT IMPACT

- More modern and connected IT systems resulting in better productivity and process efficiencies
- Foundation for innovation
- Improved data insights and reporting for data-driven decision making
- Enabled resilience and stability in IT Systems

## AI and Data

### Copilot Updates



**1,000~**  
Copilot 365 users

**35,000**  
tasks enabled

- Meeting summaries
- Email drafts
- Document edits

### AI Tools Launched



### Navigator

### AuditGenie

### EVA

### Sustainable Public ProcurementGenie

### ADB's Integrated Data Ecosystem (Modern Data Platform)

**5** datamarts

**80+** new dashboards and reports

**100+** legacy reports decommissioned

## Cybersecurity, Infrastructure, and User Services



Updated cybersecurity products and streamlined processes



Implemented Information Classification Pilot



Further enhanced IT infrastructure resilience operational capabilities



Faster delivery of IT devices and accessories through local procurement in 17 field offices

**155. Continued efforts needed to strengthen culture as an enabler of Strategy 2030.** ADB measures its success in fostering a culture that enables Strategy 2030 by using staff perceptions of five traits of ADB culture essential to its implementation. In a 2024 staff engagement survey, 65% of 3,516 staff respondents agreed that ADB promotes a culture that supports Strategy 2030 implementation. While this number is above the 2018 baseline of 58%, it fell 5 percentage points short of the 2024 target (Figure 5.2).

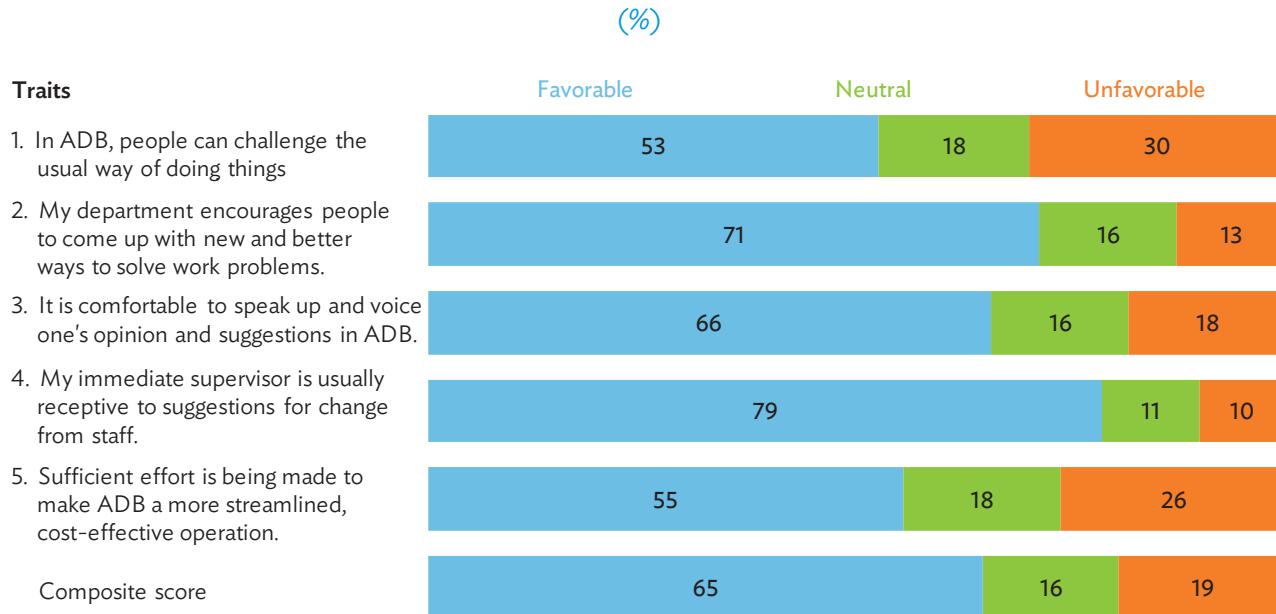
156. In continuation of its efforts to provide to staff an enabling workplace culture for Strategy 2030, ADB undertook several initiatives in 2024. An enablement program brought together divisions and departments created or otherwise affected by the new operating model to discuss their vision, work objectives, and how to collaborate more effectively as One ADB teams to successfully implement the new operating model in the service of Strategy 2030. The revamped Performance Management Approach aims to build a trusting workplace culture. This new approach emphasizes regular, forward-looking performance

conversations that support staff development by providing constructive and timely feedback aligned with ADB values. A new competency framework has been designed to reinforce and support new ways of working and cultural transformation.

157. Other elements of the 2024 staff engagement survey point to progress ADB has made in enhancing culture and engagement among staff. Staff respondents note significant improvements since 2018 in areas such as sustainable engagement; collaboration; ethics and integrity; belonging; innovation; and alignment with ADB goals, objectives, and values. It is noteworthy that the 2024 survey was conducted only a year after the introduction of the new operating model. Despite substantial changes consequently experienced, staff strongly believed in ADB's mission, objectives, and values and displayed a robust sense of belonging in the organization.

**158. Stronger client perception of development effectiveness, responsiveness, and collaboration with development partners.** ADB has consistently

**Figure 5.2: Staff Rating ADB as Providing an Enabling Culture for Strategy 2030, 2024**



ADB = Asian Development Bank.

Source: ADB (Budget, People, and Management Systems Department).

strived to deliver development solutions that have real and lasting impact. The 2024 Client Perception Survey demonstrated encouraging results, with 77% of clients expressing satisfaction with ADB's *development effectiveness*, defined as satisfaction with ADB efforts to help their countries achieve development results; ADB's *responsiveness*; and ADB's *collaboration with development partners* (Figure 5.3). ADB has aimed to build strong, complementary, and collaborative partnerships in an increasingly difficult development settings with scarce resources. The new operating model's shift to new ways of working further improves ADB's ability to be effective and responsive by enhancing proximity and dialogue with clients, to better understand and respond to client needs through customized projects, programs, and technical assistance in pursuit of development effectiveness.

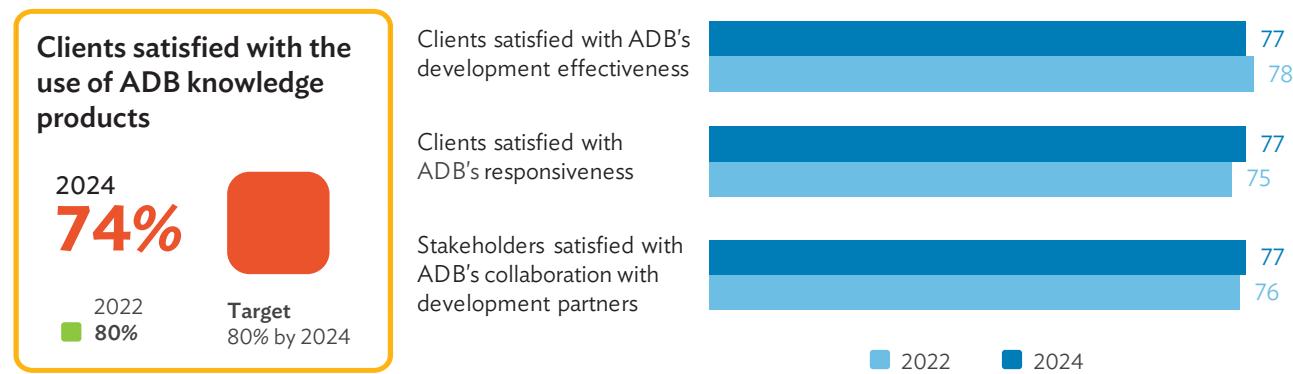
**159. Delivery of high-quality knowledge solutions.** While ADB continues to work toward a unified system of corporate knowledge management and governance in 2024, it also successfully delivered valuable knowledge solutions to its clients. In 2024, ADB hosted 216 flagship and signature events and conducted post-event surveys for 67 of them. Feedback from 4,066 of 9,784 participants showed

3,416 respondents reporting increased knowledge and/or skills. Further, ADB's innovation hub facilitated over 300 events, including three Innovation Speakers sessions to serve as platforms to share knowledge about new ideas and practices, toward driving positive change in ADB through innovation. In addition, four impact evaluations completed in 2024 assessed how effectively interventions helped (i) participants in Bhutan make career decisions and find a good school match;<sup>97</sup> (ii) a food voucher program improve food expenditure, dietary diversity, and food security in the Philippines;<sup>98</sup> (iii) pilot testing advance harvest and postharvest technologies in Pakistan;<sup>99</sup> and (iv) provide tablets and tutors toward achieving positive impacts on test scores for both math and Bangla language from out-of-school children in Bangladesh.<sup>100</sup>

**160. High client perception of ADB's knowledge support but scope for improvement.** ADB has successfully leveraged technical assistance (TA) to develop and disseminate knowledge solutions tailored to the needs of individual DMCs, with knowledge products contributing to clearer understanding of policy issues and implications, for improved work efficiency and better policy formulation and decision-making. The high quality of ADB's knowledge solutions

**Figure 5.3: ADB Clients' Perception**

(%)



ADB = Asian Development Bank.

Source: ADB (Department of Communications and Knowledge Management).

was underscored by the 2024 Client Perception Survey, which found that 74% of clients expressed satisfaction with the reach, quality, use, and benefits of ADB's knowledge products and services. While the results show that a large majority of clients reported benefiting from ADB's knowledge solutions, it was below the ambitious 80% target ADB set for itself and therefore highlighted an opportunity for ADB to build on, refine, and further enhance its knowledge support ([Figure 5.3](#)). It also demonstrated the importance of refining coordination between operations and knowledge programs to better meet clients' evolving needs. To address this, ADB will develop actionable strategies that take into account client feedback. Under a TA policy review, Management actions will be proposed to foster country ownership in the design and development of regional TA projects, which provide the most funding of knowledge sources for DMCs. TA processing teams will be required to consult with DMCs and resident missions for regional TA with in-country activities. In addition, to ensure due consideration of country knowledge needs and gaps, staff instructions will be revised to introduce an assessment of DMCs' knowledge and capacity-building needs aligned with country partnership strategy processes. New TA proposals will be required

to have due diligence assessment of how TA scope and outputs will contribute to country knowledge needs and priorities.

**161. Strengthening knowledge management for enhanced impact.** In 2024, ADB continued its midterm assessment of the Knowledge Management Action Plan, 2021–2025, in light of significant changes in the corporate landscape, including the new operating model, the midterm review of Strategy 2030, and advances in technology, particularly AI. While there has been progress in establishing knowledge management systems and practices, a lack of coherent governance and alignment across departments has hindered scalability and sustainability. The midterm review of Strategy 2030 emphasized the need for a comprehensive framework to govern knowledge management and thus enhance coordination, integrate initiatives, and streamline knowledge management systems and business processes. To address knowledge fragmentation, ADB initiated the first phase of Knowledge Navigator, an AI-powered digital knowledge platform; introduced enterprise taxonomy; identified information architecture gaps; and created a road map to make ADB's content AI ready.



**Real-life skills.** Technical training institutes and schools supported by ADB's Skills Training and Education Training Upgradation Pathways Project pave the way for a new generation of professionals in Bhutan (photo by Neil Hickey).

## CHAPTER 6

# Actions to Address Challenges

## A. ACTIONS TO ADDRESS 2023 CHALLENGES

162. Project quality continued to be an area of attention, with the 2023 Development Effectiveness Review (DEfR) scorecard rating three main performance areas *off track* to achieve their 2024 targets: sovereign success rates, including projects completed on time and procurement readiness and

processing; nonsovereign success rates, including their share of total ADB operations; procurement readiness and their processing times; and ADB as a knowledge and learning institution. This section summarizes the main actions ADB took in 2024 to address these challenges.

### 1. Actions to Improve Sovereign Project Success Rates

163. **Challenge.** The success rate for completed sovereign operations remained *off track* to reach the 2024 target of 80%. Among the four evaluation criteria, sustainability overtook efficiency to be the worst-performing criterion. Sustainability was weighed down by inadequate financial resources for operation and maintenance (O&M) and low institutional capacity in executing agencies. The low share of sovereign projects that closed on time continued to pose a challenge and, though showing some improvement in 2023, remained *off track* to reach the 2024 target. An average delay of 3 years was attributed to procurement delays, issues with contractor and consultant performance, and safeguard concerns. The procurement readiness of sovereign projects declined in 2023 to 55% and was *off track* to meet the 60% target set for 2024. Along with this, long turnaround times delayed the processing time of procurement transactions of \$10 million or more, with only 69% in 2023 meeting the target of 40 days or less, short of the 2024 target of 80%.

164. **Proactive planning to improve project implementation.** Recognizing the important impact of project implementation on success rates, in 2024 the Sectors Group developed an action plan on project readiness, portfolio monitoring, and project sustainability. This plan was informed by an organization-wide forum that emphasized project implementation improvements with actions to be collectively implemented across ADB. Among actions identified to improve project sustainability and efficiency were the following: (i) Promote financial and operational sustainability during country partnership strategy preparation and country pipeline management

discussions. (ii) Strengthen internal management platforms to address project sustainability issues earlier by, for example, integrating early warning notifications into project safeguards monitoring systems. (iii) Enhance and encourage more stringent monitoring and evaluation practices with DMCs. (iv) Emphasize upstream engagement and support for policy reform to strengthen governance and improve institutional capacity for asset O&M. This action plan will provide a strong foundation for effective portfolio management, strengthening project oversight, optimizing resource allocation, and supporting timely and impactful outcomes.

165. **Strengthening capacity for project readiness and implementation.** ADB has intensified efforts to build capacity in executing and implementing agencies to improve project readiness and implementation. These efforts have aimed to make capacity development more sustainable and institutionalized, such as through the use of regional and national institutions in the Pacific to deliver training. Additionally, outreach to DMCs has been increased to improve their understanding of ADB policies, notably on procurement, and ADB project-readiness facilities, and to refine policies and procedures on project preparation and procurement. Continued investment in the Capacity Development Resource Center, as in India, will improve government capacity in project design and preparation while facilitating knowledge sharing within and between regions. This targeted and sustainable capacity building for DMCs will improve project preparation and implementation.

166. Operations departments have made project readiness a priority, highlighting the usefulness of project readiness financing modalities during country review missions and regional workshops. High-level discussions on policy reform to enhance readiness were held across all regions. In line with the One ADB team approach, financial management has been integrated early into all investment projects, and on-the-ground project monitoring has been reinforced. The financial management function was increasingly involved in upstream country strategies, governance and public financial management assessments, policy reform development, and collaboration with development partners. In addition, procurement and project implementation workshops, as well as regional and cross-regional knowledge-exchange programs, continued to be implemented to facilitate the sharing of best practices. Capacity building on financial management benefited over 2,500 staff in executing and implementing agencies across the region. ADB has also taken steps to strengthen environmental and social safeguards to address start-up and implementation delays. ADB's Environmental and Social Framework was approved in 2024. The safeguards function has been consolidated across the organization, with strengthened presence in resident missions and enhanced independence from operations.

167. **Improvements under the new operating model.** In 2024, the new operating model entered

its second phase, focusing on decentralization efforts and improvements to reporting systems and guidance. This included rolling out a new structure to resident missions, introducing a new performance-based management framework with matrix reporting in the field, improving project administration instructions to clarify organizational roles in portfolio management, modernizing the IT platform for sovereign operations (SovOps), and prioritizing the outposting of staff through priority field placements, including procurement staff. These initiatives have improved business process efficiency while bringing staff closer to clients to enable the development and implementation of more impactful projects.

**168. Efforts to improve performance at project completion.** Project evaluation at completion relies heavily on recorded achievement of targets in a project design and monitoring framework. Intensive training and targeted guidance on results management were delivered as part of annual training under the Project Design and Management Program, toward helping new staff understand the key stages in the ADB project cycle and the application of various tools and frameworks, including the role of results framework in project design and learning. On-demand and targeted trainings for project teams and an eLearning course were made accessible to all ADB Staff and DMC counterparts. These training courses benefited 2,586 participants in 2019–2024.

## 2. Actions to Improve Nonsovereign Project Success Rates

169. **Challenge.** The share of completed nonsovereign operations rated *successful* remained steady in 2023 at 55% but remained *off track* to achieve the 2024 target of 70%. In 2023, both ADB work quality and development results remained weak, pulling down overall success rates despite marked improvement in ADB additionality. Further, the percentage of nonsovereign operations in all ADB operations was 29% in 2023 and *off track* to meet the 2024 target of 33%. This shortfall largely reflected faster growth in sovereign operations.

**170. Business process reform for more efficient and effective private sector operations.** Business process reform has enhanced the efficiency and management of nonsovereign operations. In 2024, ADB implemented (i) new credit screening tools for proposed private sector transactions in specific sectors, (ii) simplified transaction processing documentation, (iii) a streamlined Investment Committee structure, and (iv) targeted training to build capacity in staff for transaction development. This has improved the visibility and management of early-stage transactions,

the speed of decision-making, and the capacity of staff to develop transactions that are effective and impactful.

**171. Focused attention on improving development effectiveness and monitoring.** The Private Sector Operations Department has strived to make client reporting more timely, through more proactive outreach to clients. This has reduced the number of overdue monitoring reports and allowed for timely

intervention when needed. Further, the department has strengthened its focus on the theory of change and the design and monitoring framework in project documentation, as well as the *ex ante* tool, while increasing its support to project teams resolving problematic accounts. These efforts have markedly reduced the share of projects assessed *at risk of not achieving development results* from 17% in 2023 to 11% in 2024.

### 3. Actions to Improve ADB as a Knowledge and Learning Institution

**172. Challenge.** Staff rating ADB as an effective knowledge and learning organization markedly improved from 51.6% in 2021 to 58.8% in 2023. However, this remained *off track* to meet the target of 70% in 2024.

**173. Midterm assessment of the Knowledge Management Action Plan, 2021–2025.** The completion of the midterm assessment of action plan found that, despite progress in establishing knowledge management systems and practices,

key barriers hindering improvement are a lack of coherent governance and disconnected approaches to knowledge management across departments, which have hindered scalability and sustainability. To address this, ADB implemented in 2024 the first phase of Knowledge Navigator, an AI-powered digital knowledge management platform; introduced enterprise taxonomy; identified information architecture gaps; and created a road map to make ADB's content AI ready and ensure that experts stay in the loop.

## B. ONGOING AND NEW CHALLENGES FOR 2025 AND BEYOND

**174. Off track areas in 2024.** While there has been strong improvement in the strategic alignment of new operation commitments, success rates for both sovereign and nonsovereign operations have continued to decline, primarily as older operations come to completion. However, emerging evidence suggests higher success rates for newer projects, reflecting benefits from recent business process reform and project design improvement. Despite a significant increase in the number of nonsovereign operations, their share still lagged behind target. Additionally, ADB's financing for education reached its lowest share since 2019, falling significantly short of the target.

**175. Enhancing project readiness.** Project success hinges on maximizing development results and sustaining them over the long term. A recognized way to achieve this is to enhance project readiness to ensure effective implementation, particularly for infrastructure investments. Targeted efforts will continue to strengthen capacity building in implementing and executing agencies to enhance project readiness, notably by strengthening project detailed design, procurement, safeguards, and disbursements, and by establishing appropriate implementation arrangements prior to project approval. The metrics for these will be embedded in an expanded quality-at-

entry indicator in the new corporate results framework to measure readiness of projects. Planned actions to address challenges to nonsovereign operations include greater strategic private sector diagnostics, quarterly pipeline discussions to ensure alignment with country partnership strategies, and regional department support for project selection and business development. In addition, more flexible terms and financial incentives are planned to increase the uptake of ADB's project readiness financing and the small expenditure financing facility. Complementing this will be a TA policy review to strengthen the role of TA in pipeline development, enhance the allocation of TA resources, and improve TA quality and its use to build and disseminate knowledge in operations and policy dialogues.

**176. Sharpening the focus and targets of ADB's Strategy 2030.** ADB's Strategy 2030 midterm review, approved in 2024, sets the road map for how ADB will transform in a rapidly changing development landscape and respond to challenges that threaten its vision for a prosperous, inclusive, resilient, and sustainable Asia and the Pacific. Its new organizational vision—"Solving complex challenges together, connecting the region, and empowering people for dynamic economies and a healthy planet"—will strengthen ADB's value proposition beyond providing affordable financing, by offering high-impact, innovative, knowledge-intensive, and integrated solutions that bring together ADB products and expertise. This includes smart risk-taking to support innovative solutions. This update on ADB's organizational vision renews its focus on the most pressing issues in the region and will drive continued streamlining of its systems and processes for bigger, bolder, and better impact.

**177. Transforming the way ADB works.** In line with ADB's evolution road map set out in the Strategy 2030 midterm review, ADB is undertaking in 2025 a range of activities to scale up and successfully deploy its financial capacity, while empowering staff to deliver high-impact solutions and updating systems and processes to transform the way they work for more efficient, high-quality delivery of support. In 2023,

ADB approved the updates to its capital adequacy framework that enhanced ADB's annual lending capacity by 50%, without any additional burden on its members. ADB's capital utilization plan, approved in 2025, further sets out a 10-year directional plan to scale up ADB's development impact through high-quality sovereign and nonsovereign operations and effective capital utilization that can deliver on the ambition set out in the Strategy 2030 midterm review. The plan includes specific actions to address challenges of meeting 2030 corporate targets and proposes financial incentives for environmental sustainability, resilience, and project readiness.

178. ADB will also play a greater role in facilitating regional cooperation and integration (RCI) to address cross-border challenges and deliver global and regional public goods in recognition of broadening calls for multilateral banks to do more on public goods. ADB will leverage its strong work history on RCI to help tackle the evolving and growing complexity of RCI needs in DMCs, which will be set out in the RCI operational approach. ADB will also explore deploying additional TA resources to support the development of projects that advance RCI and regional public goods, recognizing the need for extra support in this complex area. A priority focus will be on resilient infrastructure connectivity, clean energy cooperation, trade facilitation, and logistics support, as well as such regional public goods as biodiversity conservation, pollution prevention, and pandemic prevention and preparedness. The private sector development operational approach will focus on roles and responsibilities for effective collaboration, business process streamlining, and the enablement of private capital. Meanwhile, the nonsovereign operational plan will consider how ADB will scale up its own nonsovereign operations over the coming years.

**179. Implementing the Corporate Results Framework 2025–2030.** To incentivize the bold actions set in the midterm review of Strategy 2030, a new set of metrics to measure corporate results was approved in 2024 and will apply from 2025 to 2030. The CRF 2025–2030 will highlight results on the

well-being and empowerment of people, the health of the planet, and the prosperity of ADB DMCs with 35 indicators across four areas: development results, strategic alignment, operational management, and organizational effectiveness. This measurement framework will track the organization's progress on key initiatives and drive action toward achieving corporate objectives by 2030. This streamlined set of indicators will better guide decisions about strategic trade-offs, clearly communicate priorities across the organization, and establish accountability for the achievement of targets. The framework will support better outcome orientation of development results, ensure quality-at-entry through expanded criteria, support comprehensive monitoring of private sector development, introduce more rigorous methodologies for impactful outcomes, and integrate target setting for all indicators to avoid conflicting goals and ensure coherence across different areas and initiatives.

**180. Mainstreaming the new operating model.**

The new operating model will continue ADB's evolution to deliver high impact and innovative project investments. Actions in 2025 include developing a private sector development approach, incorporating lessons from ongoing pilots, establishing a framework to enhance the development impact of ADB operations, and reforming human resources to implement a new job architecture and decentralize by sending more specialist resources into the field. These efforts, together with further fine-tuning of business process reform, promise to consolidate gains and sustain improvements in operations' efficiency and development effectiveness. In addition, ADB's Digital Transformation for Institutional Approach paper, expected to be completed in 2025, will set ADB's overall digital ambition, strategic focus, and IT investments that will equip staff for the future.



**Coastal life.** An Aerial view of the coastal community in Malé, Maldives (photo by Ariel Javellana).

## APPENDIX 1

# Strategic Alignment Indicators and Targets under Corporate Results Framework, 2025–2030

**Table A1: Strategic Alignment Indicators and Targets under Corporate Results Framework, 2025–2030**

Indicator	Performance by Fund Source			
	ADB Overall		ADF	
	Baseline (2023)	Target (2030)	Baseline (2023)	Target (2030)
1. Financing for climate action (% of \$) (sovereign and nonsovereign)	46%	50%	32%	Monitor <sup>a,b,c</sup>
2. Committed operations supporting disaster risk management, and environment and nature (% of #) (sovereign and nonsovereign)	24%	32%	17%	Monitor
3. Financing for private investment (\$ billion) (nonsovereign) of which, direct private capital mobilization	\$4.1 billion \$1.4 billion	\$13.0 billion \$4.5 billion		
4. Committed operations contributing to private sector development (% of #) (sovereign)	...	40%	...	Monitor
5. Committed operations in frontier economies (% of #) (nonsovereign)	40%	50%	100%	Monitor
6. Committed operations supporting regional cooperation and integration (% of #) (sovereign and nonsovereign)	18%	30%	30%	Monitor
7. Committed operations supporting digital transformation (% of #) (sovereign and nonsovereign)	11%	> past year	4%	Monitor
8. Committed operations supporting poverty reduction and inclusiveness (% of #) (sovereign and nonsovereign)	60% <sup>e</sup>	75%	...	Monitor
9. Financing for FCAS and SIDS (% of \$) (sovereign and nonsovereign)	4.4%	7.5%	88%	Monitor <sup>b,c,f</sup>
10. Committed operations promoting gender equality (% of #) (sovereign and nonsovereign)	50%	60%	53%	Monitor <sup>b,c,g</sup>

... = data not available, > = increased from, % of # = percentage share of number of operations, % of \$ = percentage share of financing, ADB = Asian Development Bank, ADF = Asian Development Fund, FCAS = fragile and conflict-affected situations, SIDS = small island developing states.

Notes:

1. A blank cell means the column head does not apply.
2. All strategic alignment indicators will either use a point target or a trend target in measuring ADB overall's performance that is expected to reach the target value by 2030. The ADF performance will use a monitor target.

<sup>a</sup> The target for ADF financing for climate change mitigation and/or adaptation is at least 45% of ADF commitments for the period 2025–2028.

<sup>b</sup> Excludes the ADF community development window for the people of Afghanistan and Myanmar.

<sup>c</sup> The targets will be set after confirmation of the ADF 14 replenishment size, including allocations for specific windows.

<sup>d</sup> A new indicator and methodology introduced in the corporate results framework, with baseline calculations commencing in the first quarter of 2025 using ADB's 2024 performance data. This calculated value will serve as the baseline for the indicator, which will be included in the 2025 development effectiveness review.

<sup>e</sup> Based on ADB estimates derived from simulations of sample projects using the new methodology and practice.

<sup>f</sup> The target for ADF commitments supporting SIDS for the period 2025–2028 is at least 32.5% of the total. The target for ADF commitments supporting FCAS-classified countries for the same period is at least 40%. The targets will be set after confirmation of the ADF 14 replenishment size, including allocations for specific windows.

<sup>g</sup> The target for ADF is at least 65% for committed operations classified as gender equality objective or effective gender mainstreaming by 2028.

Source: ADB.



**Coastal life.** An Aerial view of the coastal community in Malé, Maldives  
(photo by Ariel Javellana).

## APPENDIX 2

# ADB Developing Member Countries

**Table A2.1: ADB Developing Member Countries**

Afghanistan	India	Mongolia	Solomon Islands
Armenia	Indonesia	Myanmar	Sri Lanka
Azerbaijan	Kazakhstan	Nauru	Tajikistan
Bangladesh	Kiribati	Nepal	Thailand
Bhutan	Kyrgyz Republic	Niue	Timor-Leste
Cambodia	Lao People's Democratic Republic	Pakistan	Tonga
China, People's Republic of	Malaysia	Palau	Turkmenistan
Cook Islands	Maldives	Papua New Guinea	Tuvalu
Fiji	Marshall Islands	Philippines	Uzbekistan
Georgia	Micronesia, Federated States of	Samoa	Vanuatu
			Viet Nam

ADB = Asian Development Bank.

Note: Five developing members—Brunei Darussalam; Hong Kong, China; the Republic of Korea; Singapore; and Taipei, China—have graduated from regular ADB assistance and are not included in this table.

Source: ADB.

Table A2.2: 2024 Classification of ADB Developing Member Countries

Regular OCR- Only Countries (Group C)	CA Countries		FCAS	SIDS
	OCR Blend (Group B)	CA-Only Countries (Group A)		
Armenia <sup>a</sup>	Bangladesh	<b>COL only</b>	Afghanistan	Cook Islands
Azerbaijan <sup>b</sup>	Cook Islands <sup>c</sup>	Bhutan	Kiribati	Fiji
China, People's Republic of	Fiji <sup>d</sup>	Cambodia	Lao People's Democratic Republic	Kiribati
Georgia <sup>f</sup>	India <sup>e</sup>	Lao People's Democratic Republic	Marshall Islands	Maldives
Indonesia	Mongolia <sup>g</sup>	Myanmar	Micronesia, Federated States of	Marshall Islands
Kazakhstan	Niue <sup>h</sup>	Nepal	Myanmar	Micronesia, Federated States of
Malaysia	Pakistan	<b>ADF Blend</b>	Nauru	Nauru
Philippines	Palau	Kyrgyz Republic	Palau	Niue
Thailand	Papua New Guinea	Micronesia, Federated States of <sup>f</sup>	Papua New Guinea	Palau
Turkmenistan	Sri Lanka <sup>i</sup>	Nauru	Solomon Islands	Papua New Guinea
Viet Nam <sup>k</sup>	Timor-Leste <sup>l</sup>	Solomon Islands	Timor-Leste	Samoa
	Uzbekistan	<b>ADF Grants-only</b>	Tuvalu	Solomon Islands
		Afghanistan		Timor-Leste
		Kiribati		Tonga
		Maldives		Tuvalu
		Marshall Islands <sup>m</sup>		Vanuatu
		Samoa		
		Tajikistan		
		Tonga		
		Tuvalu		
		Vanuatu		

ADB = Asian Development Bank, ADF = Asian Development Fund, CA = concessional assistance, COL = concessional ordinary capital resources loan, FCAS = fragile and conflict-affected situation(s), OCR = ordinary capital resources, SIDS = small island developing state(s).

<sup>a</sup> ADB. 2014. Armenia: Review of Classification under ADB's Graduation Policy.

<sup>b</sup> ADB. 2013. Azerbaijan: Review of Classification under ADB's Graduation Policy.

<sup>c</sup> ADB. 2022. Cook Islands: Country Classification.

<sup>d</sup> ADB. 2021. Fiji: Country Classification.

<sup>e</sup> Has no access to concessional assistance.

<sup>f</sup> ADB. 2014. Georgia: Review of Classification under ADB's Graduation Policy.

<sup>g</sup> ADB. 2011. Review of the Classification of Mongolia Under the Asian Development Bank's Graduation Policy.

<sup>h</sup> ADB. 2017. Niue: Country Classification.

<sup>i</sup> ADB. 2017. Sri Lanka: Review of Classification under ADB's Graduation Policy; and ADB. 2023. Sri Lanka: Country Classification.

<sup>j</sup> ADB. 2011. Review of the Classification of Timor-Leste under Asian Development Bank's Graduation Policy. Corrigendum 1.

<sup>k</sup> ADB. 2017. Viet Nam: Review of Classification under ADB's Graduation Policy.

<sup>l</sup> ADB. 2017. Federated States of Micronesia: Review of Classification under ADB's Graduation Policy.

<sup>m</sup> ADB. 2013. Marshall Islands: Review of Classification under ADB's Graduation Policy.

Sources: ADB. 2021. Fragile and Conflict-Affected Situations and Small Island Development States Approach; ADB. 2023. Classification and Graduation of Developing Member Countries. Operations Manual; and ADB Strategy, Policy, and Partnerships Department.



**Coastal life.** An Aerial view of the coastal community in Malé, Maldives  
(photo by Ariel Javellana).

## APPENDIX 3

# Performance Scorecard

## **SIGNALS AND SCORING METHODS**

- **Alignment with the Sustainable Development Goals**
- **Results Framework Indicators Level 1: Signals**
- **Results Framework Indicators Level 2–4: Signals for 2019–2023**
- **Results Framework Indicators Level 2–4: Signals for 2024**
- **Results Framework Indicators Level 2–4: Composite Signals**
- **Results Framework Indicators Level 2–4: Scoring Methods for 2019–2023**
- **Results Framework Indicators Level 2–4: Scoring Methods for 2024**

## Alignment with the Sustainable Development Goals

	<b>SDG Indicator</b>	Official Sustainable Development Goal (SDG) Indicator
	<b>SDG Derived</b>	<i>Directly</i> related to an official SDG indicator
	<b>SDG Aligned</b>	<i>Closely</i> linked to an official SDG indicator or captures certain elements of it
	<b>SDG Proxy Indicator</b>	<i>Relates</i> to the SDGs and associated targets but not to an official SDG indicator

## Results Framework Indicators Level 1: Signals

Scoring Method	Signal <sup>a</sup>	Change
<b>Improved</b> —region's performance improved relative to prior year with available data		Improved
<b>Unchanged</b> —region's performance unchanged relative to prior year with available data		Stayed constant
<b>Regressed</b> —region's performance deteriorated relative to prior year with available data		Deteriorated

<sup>a</sup> A change of more than 2.5% constitutes improvement or deterioration.

## Results Framework Indicators Level 2–4: Signals for 2019–2023

Scoring Method	Signal	Annual Change <sup>a</sup>
<b>At or above target</b> —performance at or above target		
<b>On track</b> —performance exceeded desired progress to attain target		Improved
<b>On track</b> —performance exceeded desired progress to attain target		Remained constant
<b>On track but watch</b> —performance met desired progress to attain 2024 target but requires close monitoring		Deteriorated
<b>On track but watch</b> —performance met desired progress to attain 2024 target but requires close monitoring		Improved
<b>On track but watch</b> —performance met desired progress to attain 2024 target but requires close monitoring		Remained constant
<b>Off track</b> —performance fell short of desired progress to attain target		Deteriorated
<b>Off track</b> —performance fell short of desired progress to attain target		Improved
<b>Monitor</b> —no performance assessment		Remained constant
<b>Monitor</b> —no performance assessment		Increased
<b>Monitor</b> —no performance assessment		Decreased

<sup>a</sup> An arrow indicates a significant (3%) change from previous performance.

## Results Framework Indicators Level 2-4: Signals for 2024

Scoring Method	Signal	Annual Change <sup>a</sup>
At or above target—performance at or above target	✓	
Below target, but within 1% buffer zone	■	
Below target—performance fell short of target	■	
Monitor—no performance assessment	↑ ↔ ↓	Improved Remained constant Deteriorated

<sup>a</sup> An arrow indicates a significant (3%) change from previous performance.

## Results Framework Indicators Levels 2-4: Composite Signals

Signal	Change
■	Good Two-thirds or more of RFIs in the group achieved a green or amber signal, and half or more achieved a green signal.
■	Mixed More than half but fewer than two-thirds of RFIs in the group achieved a green or amber signal, or two-thirds or more of RFIs in the group achieved a green or amber signal but fewer than half achieved a green signal.
■	Poor Half or fewer of RFIs in the group achieved a green or amber signal.
○	No signal generated because data are not yet available for three or more indicators in the group.
--	Group is not scored because data are reported for fewer than three indicators that have a specific target.

RFI = results framework indicator.

## Results Framework Indicators Level 2-4: Scoring Methods for 2019–2023

Scoring Method	Target	Note	Signal	Applied to <sup>a</sup>
Achievement rate <sup>b</sup>	Annual	<ul style="list-style-type: none"> <li>At or above 80% of expected results</li> <li>Below 80% of expected results</li> </ul>	✓ ■	Level 2A: RFIs 1–22
Point target	2024	<ul style="list-style-type: none"> <li>At or above target</li> <li>Above band from baseline to target</li> <li>Within band from baseline to target</li> <li>Below band from baseline to target</li> </ul>	✓ ■ ■ ■	Level 2B: RFIs 1–4 Level 3: RFIs 2 (ADB overall only), 6, 9–11 (ADB overall only), 13–14 Level 4: RFIs 2–3, 5–6, and 8
Range	2024	<ul style="list-style-type: none"> <li>Within the target range</li> <li>Below the bottom of the target range and above the volatility band</li> <li>Above the target range or below the target range and within the volatility band</li> <li>Below the target range and the volatility band</li> </ul>	✓ ■ ■ ■	Level 3: RFIs 7, 8

continued on page 84

continued from 83

Scoring Method	Target	Note	Signal	Applied to <sup>a</sup>
Performance Standard	Annual	<ul style="list-style-type: none"> <li>Performance standard or better</li> <li>Worse than the performance standard</li> </ul>	<span style="color: green;">✓</span> <span style="color: red;">✗</span>	Level 2B: RFI 5 Level 3: RFI 5 Level 4: RFI 1
Maintain	Annual	<ul style="list-style-type: none"> <li>Baseline or better</li> <li>Worse than the baseline</li> </ul>	<span style="color: green;">✓</span> <span style="color: red;">✗</span>	Level 3: RFI 1 (ADB overall only)
Cumulative	2024	<ul style="list-style-type: none"> <li>Above cumulative target</li> <li>Performance is expected to increase each year and add up to the cumulative target</li> <li>Performance is on track to reach the target but requires close monitoring</li> <li>Below cumulative target</li> </ul>	<span style="color: green;">✓</span> <span style="color: green;">✓</span> <span style="color: orange;">■</span> <span style="color: red;">✗</span>	Level 3: RFI 12 Level 4: RFI 4
Monitor <sup>c</sup>	2024	<ul style="list-style-type: none"> <li>Increased</li> <li>Remained stable</li> <li>Decreased</li> </ul>	<span style="color: gray;">↑</span> <span style="color: gray;">↔</span> <span style="color: gray;">↓</span>	Level 3: RFIs 1–2 (CA only), 3–4, 9–11 (CA only), and 15 Level 4: RFI 7

ADB = Asian Development Bank, CA = concessional assistance, RFI = results framework indicator.

<sup>a</sup> Refers to the RFI numbers used in the ADB Corporate Results Framework, 2019–2024.

<sup>b</sup> Achievement rate for Level 2A indicators is calculated only once the count of cumulative planned results has reached a threshold of at least 20.

<sup>c</sup> Only arrows are shown, no impact on summary scorecard.

## Results Framework Indicators Levels 2–4: Scoring Methods for 2024

Scoring Method	Target	Note	Signal	Applied to <sup>a</sup>
Achievement rate	Annual	<ul style="list-style-type: none"> <li>Better than target</li> <li>Worse than target</li> </ul>	<span style="color: green;">✓</span> <span style="color: red;">✗</span>	Level 2A: RFIs 1–22
Point target	2024	<ul style="list-style-type: none"> <li>At or above target</li> <li>Below target, but within 1% buffer zone</li> <li>Below target</li> </ul>	<span style="color: green;">✓</span> <span style="color: orange;">■</span> <span style="color: red;">✗</span>	Level 2B: RFIs 1–4 Level 3: RFIs 2 (ADB overall only), 6, 9–11 (ADB overall only), 13–14 Level 4: RFIs 2–3, 5–6, and 8
Range	2024	<ul style="list-style-type: none"> <li>Within the target range</li> <li>Outside the target range</li> </ul>	<span style="color: green;">✓</span> <span style="color: red;">✗</span>	Level 3: RFIs 7, 8
Performance standard	Annual	<ul style="list-style-type: none"> <li>Performance standard or better</li> <li>Worse than the performance standard</li> </ul>	<span style="color: green;">✓</span> <span style="color: red;">✗</span>	Level 2B: RFI 5 Level 3: RFI 5 Level 4: RFI 1
Maintain	Annual	<ul style="list-style-type: none"> <li>Baseline or better</li> <li>Worse than the baseline</li> </ul>	<span style="color: green;">✓</span> <span style="color: red;">✗</span>	Level 3: RFI 1 (ADB overall only)

continued on page 85

continued from 84

Scoring Method	Target	Note	Signal	Applied to <sup>a</sup>
Cumulative	2024	<ul style="list-style-type: none"> <li>Above cumulative target</li> <li>Performance is expected to increase each year and add up to the cumulative target</li> <li>Performance is on track to reach the target but requires close monitoring</li> <li>Below cumulative target</li> </ul>	<span style="color: green;">✓</span> <span style="color: green;">█</span> <span style="color: orange;">█</span> <span style="color: red;">█</span>	Level 3: RFI 12 Level 4: RFI 4
Monitor <sup>b</sup>	2024	<ul style="list-style-type: none"> <li>Increased</li> <li>Remained stable</li> <li>Decreased</li> </ul>	<span style="color: gray;">↑</span> <span style="color: gray;">█</span> <span style="color: gray;">↓</span>	Level 3: RFIs 1-2 (CA only), 3-4, 9-11 (CA only), and 15 Level 4: RFI 7

ADB = Asian Development Bank, CA = concessional assistance, RFI = results framework indicator.

<sup>a</sup> Refers to the RFI numbers used in the ADB Corporate Results Framework, 2019–2024.

<sup>b</sup> Only arrows are shown, no impact on summary scorecard.

## RESULTS FRAMEWORK INDICATORS

- **LEVEL 1: Development Progress in Asia and the Pacific**
- **LEVEL 2: Results from Completed Operations**
- **LEVEL 3: ADB's Operational Management**
- **LEVEL 4: ADB's Organizational Effectiveness**

## LEVEL 1: Development Progress in Asia and the Pacific

### ADB Developing Member Countries Overall

Indicator	SDG	Baseline Year(s)	Latest Year	Baseline Value(s)	Latest Value	2024 Signal
1. Population living on less than \$2.15 a day (%), number) <sup>a</sup>		2023	2024	4.521 184,700,000	3.992 164,100,000	
2. Growth rates of household expenditure or income per capita among the bottom 40% and the total population (percentage point difference)		2000–2021	2000–2022	0.12	0.18	
3. Annual growth rate of real GDP per capita in constant 2015 United States dollars (%)		2022	2023	4.41	5.12	
4. Unemployment rate (%)		2021	2022	5.59	5.53	
a. Female		2021	2022	5.31	5.3	
b. Male		2021	2022	5.78	5.71	
5. CO <sub>2</sub> emissions per unit of GDP (kg per \$ constant 2017 PPP GDP)		2022	2023	0.316	0.318	
6. Deaths attributed to climate-related and geophysical hazards (number) <sup>b</sup>		2023	2024	6,366	5,273	
7. PM2.5 air pollution, mean annual exposure (micrograms per cubic meter)		2019	2020	43.98	37.88	
8. Prevalence of stunting among children under 5 years (%)		2021	2022	23.62	23.11	
9. Worldwide Governance Indicators (average score) <sup>c</sup>		2022	2023	(0.238)	(0.224)	
10. Regional cooperation and integration index (average score) <sup>d</sup>		2021	2022	0.423	0.431	

( ) = negative, ADB = Asian Development Bank, CO<sub>2</sub> = carbon dioxide, GDP = gross domestic product, kg = kilogram, PM2.5 = particulate matter measuring less than 2.5 microns, PPP = purchasing power parity, SDG = Sustainable Development Goal.

#### Notes:

1. “Concessional assistance countries” refers to a subset of ADB developing member countries that have access to Asian Development Fund grants and concessional ordinary capital resources loans (group A and B countries except India).
2. Estimates are averages of actual country values or imputed country values where data are missing for the year required, weighted by population size or by GDP.
3. Gray shading in cells indicates the column heading does not apply.

<sup>a</sup> The World Bank introduced the \$2.15 income per day international poverty threshold in 2022 and revised its estimates in September 2022 reflecting 2017 purchasing power parity (PPP) and new rounds of survey data for India. World Bank. 2022. September 2022 Update to the Poverty and Inequality Platform (PIP): What's New. Global Poverty Monitoring Technical Note. No. 24.

<sup>b</sup> Climate-related hazards include climatological, hydrological, and meteorological hazards.

<sup>c</sup> The Worldwide Governance Indicators report on six broad dimensions of governance: voice and accountability, government effectiveness, control of corruption, rule of law, regulatory quality, and political stability and absence of violence.

<sup>d</sup> ADB's Economic Research and Development Impact Department adapted the Asia-Pacific Regional Cooperation and Integration Index (ARCII) to capture the following dimensions: trade and investment, regional value chains, infrastructure and connectivity, movement of people, and institutional and social integration.

Sources: Regional aggregates were prepared by ADB's Strategy, Policy, and Partnerships Department using country data from the following sources: ADB Economic Research and Regional Cooperation Department; Centre for Research on the Epidemiology of Disasters. Emergency Events Database. <https://www.emdat.be/database> (accessed 06 January 2025); Global Carbon Budget Project. <https://www.globalcarbonproject.org/carbonbudget/> (accessed 06 January 2025); World Health Organization. The Global Health Observatory. <https://www.who.int/data/gho/data/indicators/indicator-details/GHO/gho-jme-country-children-aged-5-years-stunted--height-for-age--2-sd>. (accessed 19 December 2022). World Bank. Worldwide Governance Indicators. <https://datacatalog.worldbank.org/dataset/worldwide-governance-indicators> (accessed 06 January 2025); and World Bank. World Development Indicators. <https://databank.worldbank.org/source/world-development-indicators> (accessed 06 January 2025). Population data used as weights are from the following sources: World Bank. World Development Indicators. <https://databank.worldbank.org/source/world-development-indicators> (accessed 14 December 2023).

## LEVEL 1: Development Progress in Asia and the Pacific

### ADB Concessional Assistance Countries

Indicator	SDG	Baseline Year(s)	Latest Year	Baseline Value(s)	Latest Value	2024 Signal
1. Population living on less than \$2.15 a day (%), number) <sup>a</sup>		2023	2024	3.704 25,900,000	3.488 24,700,000	
2. Growth rates of household expenditure or income per capita among the bottom 40% and the total population (percentage point difference)		2000–2021	2000–2022	0.13	0.19	
3. Annual growth rate of real GDP per capita in constant 2015 United States dollars (%)		2022	2023	3.53	1.63	
4. Unemployment rate (%)		2021	2022	5.31	5.15	
a. Female		2021	2022	7.1	6.92	
b. Male		2021	2022	4.62	4.47	
5. CO <sub>2</sub> emissions per unit of GDP (kg per \$ constant 2017 PPP GDP)		2022	2023	0.184	0.179	
6. Deaths attributed to climate-related and geophysical hazards (number) <sup>b</sup>		2023	2024	3,573	3,689	
7. PM2.5 air pollution, mean annual exposure (micrograms per cubic meter)		2019	2020	42.74	36.65	
8. Prevalence of stunting among children under 5 years (%)		2021	2022	28.36	27.6	
9. Worldwide Governance Indicators (average score) <sup>c</sup>		2022	2023	(0.253)	(0.25)	
10. Regional cooperation and integration index (average score) <sup>d</sup>		2021	2022	0.401	0.416	

( ) = negative, ADB = Asian Development Bank, CO<sub>2</sub> = carbon dioxide, GDP = gross domestic product, kg = kilogram, PM2.5 = particulate matter measuring less than 2.5 microns, PPP = purchasing power parity, SDG = Sustainable Development Goal.

#### Notes:

1. “Concessional assistance countries” refers to a subset of ADB developing member countries that have access to Asian Development Fund grants and concessional ordinary capital resources loans (group A and B countries except India).
2. Estimates are averages of actual country values or imputed country values where data are missing for the year required, weighted by population size or by GDP.
3. Gray shading in cells indicates the column heading does not apply.

<sup>a</sup> The World Bank introduced the \$2.15 income per day international poverty threshold in 2022 and revised its estimates in September 2022 reflecting 2017 purchasing power parity (PPP) and new rounds of survey data for India. World Bank. 2022. September 2022 Update to the Poverty and Inequality Platform (PIP): What's New. Global Poverty Monitoring Technical Note. No. 24.

<sup>b</sup> Climate-related hazards include climatological, hydrological, and meteorological hazards.

<sup>c</sup> The Worldwide Governance Indicators report on six broad dimensions of governance: voice and accountability, government effectiveness, control of corruption, rule of law, regulatory quality, and political stability and absence of violence.

<sup>d</sup> ADB's Economic Research and Development Impact Department adapted the Asia-Pacific Regional Cooperation and Integration Index (ARCI) to capture the following dimensions: trade and investment, regional value chains, infrastructure and connectivity, movement of people, and institutional and social integration.

Sources: Regional aggregates were prepared by ADB's Strategy, Policy, and Partnerships Department using country data from the following sources: ADB Economic Research and Regional Cooperation Department; Centre for Research on the Epidemiology of Disasters. Emergency Events Database. <https://www.emdat.be/database> (accessed 06 January 2025); Global Carbon Budget Project. <https://www.globalcarbonproject.org/carbonbudget/> (accessed 06 January 2025); World Health Organization. The Global Health Observatory. [https://www.who.int/data/gho/data/indicator-details/GHO/gho-jme-country-children-aged-5-years-stunted-\(-height-for-age--2-sd\).](https://www.who.int/data/gho/data/indicator-details/GHO/gho-jme-country-children-aged-5-years-stunted-(-height-for-age--2-sd).) (accessed 19 December 2022). World Bank. Worldwide Governance Indicators. <https://datacatalog.worldbank.org/dataset/worldwide-governance-indicators> (accessed 06 January 2025); and World Bank. World Development Indicators. <https://databank.worldbank.org/source/world-development-indicators> (accessed 06 January 2025). Population data used as weights are from the following sources: World Bank. World Development Indicators. <https://databank.worldbank.org/source/world-development-indicators> (accessed 14 December 2023).

## LEVEL 2: Results from Completed Operations

### ADB Operations Overall

Indicator	SDG	Number of Completion Reports PCR  KARR  TCR	Results Achieved	Achievement Rate (%)	Signal
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### LEVEL 2A. STRATEGY 2030 OPERATIONAL PRIORITY RESULTS



#### Operational Priority 1: Addressing Remaining Poverty and Reducing Inequalities

1.1	People benefiting from improved health services, education services, or social protection (number)		11  2  1	23,090,000	100+	
1.2	Jobs generated (number)		32  16	1,069,000	100+	
1.3	Poor and vulnerable people with improved standards of living (number)		25  12	9,519,000	100+	

#### Operational Priority 2: Accelerating Progress in Gender Equality

2.1	Skilled jobs for women generated (number)		23  12	108,000	100+	
2.2	Women and girls completing secondary and tertiary education, and/or other training (number)		7  1	118,000	100+	
2.3	Women represented in decision-making structures and processes (number)		14  6	1,600	100+	
2.4	Women and girls with increased time savings (number)		5	3,973,000	100	
2.5	Women and girls with increased resilience under climate change, disasters, and other external shocks (number)		11  4	12,401,000	100+	

#### Operational Priority 3: Tackling Climate Change, Building Climate and Disaster Resilience, and Enhancing Environmental Sustainability

3.1	Total annual greenhouse gas emissions reduction (tCO <sub>2</sub> e/year)		14  9	50,247,000	100+	
3.2	People with strengthened climate and disaster resilience (number)		12  2	10,059,000	100+	
3.3	People benefiting from strengthened environmental sustainability (number)		15	415,210,000	100+	

continued on page 93

## LEVEL 2: Results from Completed Operations

### Operations Financed by Concessional OCR Loans and ADF Grants

Indicator	SDG	Number of Completion Reports PCR  TCR 	Results Achieved	Achievement Rate (%)	Signal
<b>LEVEL 2A. STRATEGY 2030 OPERATIONAL PRIORITY RESULTS</b> 					

#### Operational Priority 1: Addressing Remaining Poverty and Reducing Inequalities

1.1	People benefiting from improved health services, education services, or social protection (number)		5  1	5,624,000	100+	
1.2	Jobs generated (number)		12	176,000	100+	
1.3	Poor and vulnerable people with improved standards of living (number)		7	393,000	100+	

#### Operational Priority 2: Accelerating Progress in Gender Equality

2.1	Skilled jobs for women generated (number)		10	98,000	100+	
2.2	Women and girls completing secondary and tertiary education, and/or other training (number)		4  1	89,000	94	
2.3	Women represented in decision-making structures and processes (number)		7	620	100+	
2.4	Women and girls with increased time savings (number)		1	560,000	100	
2.5	Women and girls with increased resilience under climate change, disasters, and other external shocks (number)		4	2,985,000	100+	

#### Operational Priority 3: Tackling Climate Change, Building Climate and Disaster Resilience, and Enhancing Environmental Sustainability

3.1	Total annual greenhouse gas emissions reduction (tCO <sub>2</sub> e/year)		3	81,000	64	
3.2	People with strengthened climate and disaster resilience (number)		5	200,000	100+	
3.3	People benefiting from strengthened environmental sustainability (number)		5	445,000	100+	

continued on page 94

continued from page 91

## LEVEL 2: Results from Completed Operations

### ADB Operations Overall

Indicator	SDG	Number of Completion Reports PCR  XARR  TCR 	Results Achieved	Achievement Rate (%)	Signal
<b>Operational Priority 4: Making Cities More Livable</b>					
4.1 People benefiting from improved services in urban areas (number)		18  3	52,750,000	100+	
4.2 Entities with improved urban planning and financial sustainability (number)		8	58	100	
4.3 Zones with improved urban environment, climate resilience, and disaster risk management (number)		12  1	470	100+	
<b>Operational Priority 5: Promoting Rural Development and Food Security</b>					
5.1 People benefiting from increased rural investment (number)		13  3	16,943,000	100+	
5.2 Farmers with improved market access (number)		2  7  1	111,000	100+	
5.3 Land with higher productivity (hectare)		3	177,000	100+	
<b>Operational Priority 6: Strengthening Governance and Institutional Capacity</b>					
6.1 Entities with improved management functions and financial stability (number)		26  30  7	4,500	100	
6.2 Entities with improved service delivery (number)		40  21  2	920	100+	
<b>Operational Priority 7: Fostering Regional Cooperation and Integration</b>					
7.1 Cargo transported and energy transmitted across borders (\$)		1 	4,128,000	100	
7.2 Trade and investment facilitated (\$)		4  2	2,921,856,000	100+	
7.3 Regional public goods initiatives successfully reducing cross-border environmental or health risks, or providing regional access to education services (number)		5	92	100+	

ADB = Asian Development Bank, ADF = Asian Development Fund, OCR = ordinary capital resources, PCR = project completion report, SDG = Sustainable Development Goal, tCO<sub>2</sub>e/year = tons of carbon dioxide equivalent per year, TCR = technical assistance completion report, XARR = extended annual review report.

Notes:

1. "ADB Operations Overall" are ADB operations financed by regular and concessional OCR and/or ADF grants.
2. Results delivered as reported in PCRs, XARRs, and TCRs circulated from 16 November to 15 November 2024.
3. An annual achievement rate of 80% is used as a benchmark for satisfactory performance. "100+" achievement rate means that achieved results exceeded the planned results. In cases where annual results are too few in number to permit accurate achievement rate scoring (i.e., below 20), results will be cumulated over the years until the minimum value of 20 is reached and achievement rate and score will be reported starting from that year.
4. Achieved results over 10,000 are rounded to the nearest 1,000. Values smaller than 10,000 are rounded to the nearest 100. Values smaller than 1,000 are rounded to the nearest 10. Values smaller than 99 are not rounded.

continued from page 92

## LEVEL 2: Results from Completed Operations

### Operations Financed by Concessional OCR Loans and ADF Grants

Indicator	SDG	Number of Completion Reports PCR  TCR 	Results Achieved	Achievement Rate (%)	Signal
<b>Operational Priority 4: Making Cities More Livable</b>					
4.1 People benefiting from improved services in urban areas (number)		 6	974,000	96	
4.2 Entities with improved urban planning and financial sustainability (number)					
4.3 Zones with improved urban environment, climate resilience, and disaster risk management (number)		 4	13	87	
<b>Operational Priority 5: Promoting Rural Development and Food Security</b>					
5.1 People benefiting from increased rural investment (number)		 4	1,083,000	100+	
5.2 Farmers with improved market access (number)		 2  1	19,000	100+	
5.3 Land with higher productivity (hectare)		 1	4,800	100	
<b>Operational Priority 6: Strengthening Governance and Institutional Capacity</b>					
6.1 Entities with improved management functions and financial stability (number)		 11  7	4,400	100	
6.2 Entities with improved service delivery (number)		 19  2	200	100+	
<b>Operational Priority 7: Fostering Regional Cooperation and Integration</b>					
7.1 Cargo transported and energy transmitted across borders (\$)					
7.2 Trade and investment facilitated (\$)		 2	1,151,400,000	77	
7.3 Regional public goods initiatives successfully reducing cross-border environmental or health risks, or providing regional access to education services (number)		 4	5	100	

ADB = Asian Development Bank, ADF = Asian Development Fund, OCR = ordinary capital resources, PCR = project completion report, SDG = Sustainable Development Goal, tCO<sub>2</sub>e/year = tons of carbon dioxide equivalent per year, TCR = technical assistance completion report, XARR = extended annual review report.

Notes:

1. “ADB Operations Overall” are ADB operations financed by regular and concessional OCR and/or ADF grants.
2. Results delivered as reported in PCRs, XARRs, and TCRs circulated from 16 November 2023 to 15 November 2024.
3. An annual achievement rate of 80% is used as a benchmark for satisfactory performance. “100+” achievement rate means that achieved results exceeded the planned results. In cases where annual results are too few in number to permit accurate achievement rate scoring (i.e., below 20), results will be cumulated over the years until the minimum value of 20 is reached and achievement rate and score will be reported starting from that year.
4. Achieved results over 10,000 are rounded to the nearest 1,000. Values smaller than 10,000 are rounded to the nearest 100. Values smaller than 1,000 are rounded to the nearest 10. Values smaller than 99 are not rounded.

## LEVEL 2: Results from Completed Operations

### ADB Operations Overall

Indicator	SDG	Baseline Year(s)	Baseline Value	2019	2020	2021	2022	2023	2024	2024 Target	2024 Signal
<b>LEVEL 2B. QUALITY OF COMPLETED OPERATIONS</b>											
1. Completed operations rated <i>successful</i> (%) (sovereign)		2016–2018	78	72	70	70	68	70	68	80	
2. Projects closed on time (%) (sovereign) <sup>a</sup>		2016–2018	40	37	33	27	28	32	34	45	
3. Completed operations rated <i>successful</i> (%) (nonsovereign)		2016–2018	54	51	54	56	55	56	54	70	
4. Completed operations delivering intended gender equality results (%) (sovereign and nonsovereign)		2016–2018	75	74	73	81	83	85	84	80	
5. Clients satisfied with the use of ADB knowledge products (%) <sup>b</sup>		2018	78		79		80		74	80	

= periodic performance target, ADB = Asian Development Bank, ADF = Asian Development Fund, OCR = ordinary capital resources, SDG = Sustainable Development Goal.

Notes:

1. “ADB Operations Overall” are ADB operations financed by regular and concessional OCR and/or ADF grants.
2. The reporting year for success ratings and delivery of gender results (items 1, 3, and 4) is based on the date that the completion report was circulated, the year ending on 30 June. Thus, a project with a completion report circulated on 1 July 2023 is in reporting year 2024. Projects closed on time and client satisfaction survey (items 2 and 5) are reported by calendar year.
3. Success rates of completed operations are ratings evaluated by the Independent Evaluation Department based on validations of project and/or program completion reports and project and/or program performance evaluations.
4. Success rates in delivering intended gender equality results are ratings by the Gender Equality Division based on project and/or program completion reports.
5. Gray shading in cells indicates the column heading does not apply.

<sup>a</sup> Indicator is reported by calendar year.

<sup>b</sup> Data are measured every 2 years.

Sources: ADB (Strategy, Policy, and Partnerships Department; and Climate Change and Sustainable Development Department).

## LEVEL 2: Results from Completed Operations

### Operations Financed by Concessional OCR Loans and ADF Grants

Indicator	SDG	Baseline Year(s)	Baseline Value	2019	2020	2021	2022	2023	2024	2024 Target	2024 Signal
<b>LEVEL 2B. QUALITY OF COMPLETED OPERATIONS</b>											
1. Completed operations rated <i>successful</i> (%) (sovereign)		2016–2018	77	70 	65 	63 	59 	62 	64	80	
2. Projects closed on time (%) (sovereign) <sup>a</sup>		2016–2018	40	33 	30 	25 	23 	25 	24	45	
3. Completed operations rated <i>successful</i> (%) (nonsovereign)											
4. Completed operations delivering intended gender equality results (%) (sovereign and nonsovereign)		2016–2018	76	77 	78 	83 	78 	83 	82	80	
5. Clients satisfied with the use of ADB knowledge products (%) <sup>b</sup>											

ADB = Asian Development Bank, ADF = Asian Development Fund, OCR = ordinary capital resources, SDG = Sustainable Development Goal.

Notes:

- “ADB Operations Overall” are ADB operations financed by regular and concessional OCR and/or ADF grants.
- The reporting year for success ratings and delivery of gender results (items 1, 3, and 4) is based on the date that the completion report was circulated, the year ending on 30 June. Thus, a project with a completion report circulated on 1 July 2023 is in reporting year 2024. Projects closed on time and client satisfaction survey (items 2 and 5) are reported by calendar year.
- Success rates of completed operations are ratings evaluated by the Independent Evaluation Department based on validations of project and/or program completion reports and project and/or program performance evaluations.
- Success rates in delivering intended gender equality results are ratings by the Gender Equality Division based on project and/or program completion reports.
- Gray shading in cells indicates the column heading does not apply.

<sup>a</sup> Indicator is reported by calendar year.

<sup>b</sup> Data are measured every 2 years.

Sources: ADB (Strategy, Policy, and Partnerships Department; and Climate Change and Sustainable Development Department).

## LEVEL 3: ADB's Operational Management

### ADB Operations Overall

Indicator	SDG	Baseline Year(s)	Baseline Value	2019	2020	2021	2022	2023	2024	2024 Target	2024 Signal
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### LEVEL 3A. DESIGN AND IMPLEMENTATION QUALITY

1. Infrastructure projects that are design-ready (%) (sovereign)		2018	80	83	81	69	80	80	77	Maintain	
2. Infrastructure projects that are procurement-ready (%) (sovereign)		2018	46	50	51	55	60	55	55	60	
3. Performance of operations at implementation rated <i>satisfactory</i> (%) (sovereign) <sup>a</sup>				52	64	67	67	65	68	Monitor	
4. Operations at risk of not achieving development results (%) (nonsovereign) <sup>a</sup>					32	19	15	17	11	Monitor	

### LEVEL 3B. DEVELOPMENT FINANCE

5. Disbursement rate (%) (sovereign)		2018	90	93	88	107	109	110	106	90	
6. Cofinancing ratio (%) (nonsovereign)		2018	120	143	145	180	206	230	245	200	
7. Financing for education (%) (sovereign and nonsovereign) <sup>b</sup>		2016–2018	5.43	5.23	3.76	4.97	4.48	6.50	2.45	6–10	
8. Financing for health (%) (sovereign and nonsovereign) <sup>b</sup>		2016–2018	1.75	2.95	12.03	30.18	4.68	10.65	5.22	3–5	

### LEVEL 3C. STRATEGIC ALIGNMENT

9. Committed operations classified <i>gender equity theme or effective gender mainstreaming</i> (%) (sovereign and nonsovereign)		2016–2018	47	55	64	72	80	88	91	50	
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continued on page 99

## LEVEL 3: ADB's Operational Management

### Operations Financed by Concessional OCR Loans and ADF Grants

Indicator	SDG	Baseline Year(s)	Baseline Value	2019	2020	2021	2022	2023	2024	2024 Target	2024 Signal
<b>LEVEL 3A. DESIGN AND IMPLEMENTATION QUALITY</b>											
1. Infrastructure projects that are design-ready (%) (sovereign)	 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	2018	77	84 	77 	68 	84 	79 	70	Monitor	
2. Infrastructure projects that are procurement-ready (%) (sovereign)	 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	2018	37	38 	45 	56 	64 	54 	47	Monitor	
3. Performance of operations at implementation rated <i>satisfactory</i> (%) (sovereign) <sup>a</sup>				53	65 	73 	71 	65 	68	Monitor	
4. Operations at risk of not achieving development results (%) (nonsovereign) <sup>a</sup>											
<b>LEVEL 3B. DEVELOPMENT FINANCE</b>											
5. Disbursement rate (%) (sovereign) <sup>b</sup>											
6. Cofinancing ratio (%) (nonsovereign)	 17 PARTNERSHIPS FOR THE GOALS										
7. Financing for education (%) (sovereign and nonsovereign) <sup>c</sup>	 4 QUALITY EDUCATION										
8. Financing for health (%) (sovereign and nonsovereign) <sup>c</sup>	 3 GOOD HEALTH AND WELL-BEING										
<b>LEVEL 3C. STRATEGIC ALIGNMENT</b>											
9. Committed operations classified <i>gender equity theme</i> or <i>effective gender mainstreaming</i> (%) (sovereign and nonsovereign)	 5 GENDER EQUALITY	2016–2018	62	72 	76 	77 	84 	90 	94	Monitor	

continued on page 100

continued from page 97

## LEVEL 3: ADB's Operational Management

### ADB Operations Overall

Indicator	SDG	Baseline Year(s)	Baseline Value	2019	2020	2021	2022	2023	2024	2024 Target	2024 Signal
10. Committed operations classified <i>gender equity theme, effective gender mainstreaming, or some gender elements (%)</i> (sovereign and nonsovereign)	 5 GENDER EQUALITY	2016–2018	70	80 	89 	96 	99 	99 	100	71	
11. Committed operations that support climate change mitigation and/or adaptation (%) (sovereign and nonsovereign)	 13 CLIMATE ACTION	2016–2018	56	59 	58 	56 	64 	79 	91	65	
12. Financing for climate change mitigation and/or adaptation (\$ billion, cumulative) (sovereign and nonsovereign)	 13 CLIMATE ACTION			6.5 	10.8 	14.3 	21.0 	30.8 	41.9	35	
13. Nonsovereign operations as a share of total ADB operations (%, number) (nonsovereign)		2018	20	26 	22 	27 	28 	29 	30	33	
14. Operations in frontier economies and/or in new sectors (%) (nonsovereign)	 8 DECENT WORK AND ECONOMIC GROWTH	2016–2018	48	61 	58 	57 	49 	63 	59	55	
15. Operations supporting poverty reduction and inclusiveness (%) (sovereign and nonsovereign)	 1 NO POVERTY	2016–2018	[70]	[74] 	[79] 	[84] 	[90] 	[94] 	[95]	Monitor	

○ = periodic performance target, assessed annually; ADB = Asian Development Bank; ADF = Asian Development Fund; OCR = ordinary capital resources; SDG = Sustainable Development Goal.

Notes:

1. "ADB Operations Overall" are ADB operations financed by regular and concessional OCR and/or ADF grants.

2. Gray shading in cells indicates the column heading does not apply.

3. Values presented in square brackets ([x]) were calculated using interim methodologies that will be revised.

<sup>a</sup> A new methodology for this indicator was introduced during the corporate results framework period. Data are reported starting from the first year that the new methodology was fully applied.

<sup>b</sup> A new signal scoring method for this indicator was introduced to enhance its usefulness as a performance monitoring tool. This updated methodology has been applied retroactively to 2019 and 2020. As a result, the 2020 signal for financing for health has been revised from *off track* to *on track but watch*.

Sources: ADB (Central and West Asia Department; Climate Change and Sustainable Development Department; Controller's Department; East Asia Department; Pacific Department; Private Sector Operations Department; Procurement, Portfolio, and Financial Management Department; Sectors Group; South Asia Department; Southeast Asia Department; and Strategy, Policy, and Partnerships Department).

continued from page 98

## LEVEL 3: ADB's Operational Management

### Operations Financed by Concessional OCR Loans and ADF Grants

Indicator	SDG	Baseline Year(s)	Baseline Value	2019	2020	2021	2022	2023	2024	2024 Target	2024 Signal
10. Committed operations classified <b>gender equity theme, effective gender mainstreaming, or some gender elements (%)</b> (sovereign and nonsovereign)		2016–2018	82	91 	94 	99 	99 	100 	100	Monitor	
11. Committed operations that support climate change mitigation and/or adaptation (%) (sovereign and nonsovereign)		2016–2018	58	63 	63 	54 	62 	79 	93	Monitor	
12. Financing for climate change mitigation and/or adaptation (\$ billion, cumulative) (sovereign and nonsovereign)											
13. Nonsovereign operations as a share of total ADB operations (%, number) (nonsovereign)											
14. Operations in frontier economies and/or in new sectors (%) (nonsovereign)											
15. Operations supporting poverty reduction and inclusiveness (%) (sovereign and nonsovereign)											

ADB = Asian Development Bank, ADF = Asian Development Fund, OCR = ordinary capital resources, SDG = Sustainable Development Goal.

## Notes:

1. "ADB Operations Overall" are ADB operations financed by regular and concessional OCR and/or ADF grants.
2. Gray shading in cells indicates the column heading does not apply.
3. Values presented in square brackets ([x]) were calculated using interim methodologies that will be revised.

<sup>a</sup> A new methodology for this indicator was introduced during the corporate results framework period. Data are reported starting from the first year that the new methodology was fully applied.

<sup>b</sup> A new signal scoring method for this indicator was introduced to enhance its usefulness as a performance monitoring tool. This updated methodology has been applied retroactively to 2019 and 2020. As a result, the 2020 signal for financing for health has been revised from off track to on track but watch.

Sources: ADB (Central and West Asia Department; Climate Change and Sustainable Development Department; Controller's Department; East Asia Department; Pacific Department; Private Sector Operations Department; Procurement, Portfolio, and Financial Management Department; Sectors Group; South Asia Department; Southeast Asia Department; and Strategy, Policy, and Partnerships Department).

## LEVEL 4: ADB's Organizational Effectiveness

### ADB Operations Overall

Indicator	Baseline Year(s)	Baseline Value	2019	2020	2021	2022	2023	2024	2024 Target	2024 Signal
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#### LEVEL 4A. ORGANIZATIONAL SYSTEMS AND PROCESSES



1. Quality of budget management (%)	2018	5.5	0.0 <span style="color: green;">✓</span>	5.0 <span style="color: green;">✓</span>	5.0 <span style="color: green;">✓</span>	4.0 <span style="color: green;">✓</span>	3.0 <span style="color: green;">✓</span>	5.0	5.0 or less <span style="color: green;">◎</span>	<span style="color: green;">✓</span>
2. Procurement contract transactions of \$10 million or more with processing time of 40 days or less (%) (sovereign)	2017–2018	67	67 <span style="color: orange;">█</span>	59 <span style="color: red;">█</span>	78 <span style="color: orange;">█</span>	74 <span style="color: orange;">█</span>	69 <span style="color: red;">█</span>	72	80	<span style="color: red;">█</span>
3. Representation of women in the international staff category (%)	2018	36.3	36.7 <span style="color: orange;">█</span>	37.7 <span style="color: orange;">█</span>	37.9 <span style="color: orange;">█</span>	38.7 <span style="color: orange;">█</span>	39.8 <span style="color: orange;">█</span>	40.3	40.0	<span style="color: green;">✓</span>
4. Projects or transactions with sovereign–nonsovereign collaboration (number, cumulative) (sovereign and nonsovereign) <sup>a</sup>	2016–2018	2	8 <span style="color: red;">█</span>	22 <span style="color: green;">✓</span>	44 <span style="color: green;">█</span>	66 <span style="color: green;">✓</span>			60	

#### LEVEL 4B. ORGANIZATIONAL CAPACITY



5. Staff rating ADB's effectiveness in digital transformation (%) <sup>b</sup>	2018	68		80 <span style="color: green;">✓</span>				78	75	<span style="color: green;">✓</span>
6. Staff rating ADB as providing enabling culture for Strategy 2030 implementation (%) <sup>b</sup>	2018	58		66 <span style="color: orange;">█</span>				65	70	<span style="color: red;">█</span>
7. Budgeted international and national staff positions in field offices (% of total operations departments) <sup>c</sup>	2018	48	45 <span style="color: gray;">█</span>	46 <span style="color: gray;">█</span>	45 <span style="color: gray;">█</span>	46 <span style="color: gray;">█</span>	40 <span style="color: gray;">█</span>	41	Monitor	<span style="color: gray;">█</span>
8. Staff rating ADB as an effective knowledge and learning organization (%) <sup>d</sup>	2021	51.6			51.6		58.8 <span style="color: red;">█</span>		70.0	

◎ = periodic performance target, assessed annually, ADB = Asian Development Bank, ADF = Asian Development Fund, OCR = ordinary capital resources.

Notes:

1. “ADB Operations Overall” are ADB operations financed by regular and concessional OCR, and/or ADF grants.
2. Gray shading in cells indicates the column heading does not apply.

<sup>a</sup> The target for this indicator was initially set at 18 for 2019 and 2020. However, during the midterm update of the corporate results framework in 2021, it was revised upward to 60. Monitoring and reporting are discontinued in 2023 as the 2024 target had been reached.

<sup>b</sup> Data for 2022 is not available for this indicator because the staff survey was postponed due to the post-pandemic return to office and new ways of working.

<sup>c</sup> The new operating model categorized more ADB departments as operations in 2023, increasing the total number of staff positions in operations by 20.4%. Consequently, the proportion of overall field office staff in ADB decreased in 2023 despite the absolute increase in field office staff from 596 to 628. In 2024, the field office staff increased to 696.

<sup>d</sup> A new methodology for this indicator was introduced during the 2021 midterm review of the corporate results framework. A new baseline and target were set. Data are measured every 2 years.

Sources: ADB (Budget, People, and Management Systems Department; Central and West Asia Department; East Asia Department; Pacific Department; Office of Markets Development and Public-Private Partnership; Private Sector Operations Department; Procurement, Portfolio, and Financial Management Department; South Asia Department; Southeast Asia Department; Strategy, Policy, and Partnerships Department).

## LEVEL 4: ADB's Organizational Effectiveness

### Operations Financed by Concessional OCR Loans and ADF Grants

Indicator	Baseline Year(s)	Baseline Value	2019	2020	2021	2022	2023	2024	2024 Target	2024 Signal
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#### LEVEL 4A. ORGANIZATIONAL SYSTEMS AND PROCESSES

1. Quality of budget management (%)										--
2. Procurement contract transactions of \$10 million or more with processing time of 40 days or less (%) (sovereign)	2017-2018	60	71 <span style="color: green;">↑</span>	49 <span style="color: red;">↓</span>	69 <span style="color: orange;">↑</span>	71 <span style="color: yellow;">□</span>	64 <span style="color: red;">↓</span>	56	80	<span style="color: red;">█</span>
3. Representation of women in the international staff category (%)										
4. Projects or transactions with sovereign-nonsovereign collaboration (number, cumulative) (sovereign and nonsovereign)										

#### LEVEL 4B. ORGANIZATIONAL CAPACITY

5. Staff rating ADB's effectiveness in digital transformation (%) <sup>b</sup>										--
6. Staff rating ADB as providing enabling culture for Strategy 2030 implementation (%)										
7. Budgeted international and national staff positions in field offices (% of total operations departments)										
8. Staff rating ADB as an effective knowledge and learning organization (%)										

ADB = Asian Development Bank, ADF = Asian Development Fund, OCR = ordinary capital resources.

Notes:

1. Concessional assistance is the subset of ADB's overall operations financed by concessional OCR loans and/or ADF grants.
2. Gray shading in cells indicates the column heading does not apply.

Source: ADB (Procurement, Portfolio, and Financial Management Department).

## TRACKING INDICATORS

- **LEVEL 1: Development Progress in Asia and the Pacific**
- **LEVEL 2: Results from Completed Operations**
- **LEVEL 3: ADB's Operational Management**
- **LEVEL 4: ADB's Organizational Effectiveness**

## LEVEL 1: Development Progress in Asia and the Pacific

### ADB Developing Member Countries Overall

Indicator	SDG	Baseline Year	Latest Year	Baseline Value	Latest Value
1. Population living on less than \$3.65 a day (% <sup>a</sup> , number)					
a. Population living on less than \$3.65 a day (% of population)		2023	2024	19.805	18.604
b. Population living on less than \$3.65 a day (number)		2023	2024	809,000,000	764,900,000
2. Youth not in education or training (%)		2022	2023	22.6	22.3
a. Female		2022	2023	34.24	34.53
b. Male		2022	2023	11.91	11.17
3. Lower secondary education graduation rate (%)		2022	2023	88.17	91.62
a. Female		2022	2023	90.22	94.27
b. Male		2022	2023	86.92	90.04
4. Universal health-care coverage service index (%)		2019	2021	67.97	67.38
5. Proportion of adults (15 years and older) with an account at a bank, financial institution, and/or mobile money service provider (%)		2017	2021	69.2	74.42
a. Female		2017	2021	65.54	72.89
b. Male		2017	2021	72.77	75.92
6. Income inequality (average Gini coefficient)		2021	2022	35	32.73
7. Labor force participation rate (%)		2021	2022	64.96	65.5
a. Female		2021	2022	50.31	50.56
b. Male		2021	2022	79.1	79.93
8. Proportion of time spent on unpaid domestic and care work (%)					
a. Female		2018	2019	15.4	19.29
b. Male		2017	2018	10.06	5.9
9. Forest area as a proportion of total land area (%)		2021	2022	36.02	35.99
10. Coverage of protected areas in relation to marine areas (%)		2021	2022	6.86	6.86
11. Environmental performance index score (average number)		2022	2024	33.96	38.16
12. Deaths attributed to climate-related and geophysical hazards (number) <sup>b</sup>		2023	2024	6,366	5,273
a. Climate-related hazards		2023	2024	3,547	5,240
b. Geophysical hazards		2023	2024	2,819	33
13. Access to social protection—social assistance (%)		2018	2019	9.89	10.86

continued on page 106

## LEVEL 1: Development Progress in Asia and the Pacific

### ADB Concessional Assistance Countries

Indicator	SDG	Baseline Year	Latest Year	Baseline Value	Latest Value
1. Population living on less than \$3.65 a day (% <sup>a</sup> , number) <sup>a</sup>					
a. Population living on less than \$3.65 a day (% of population)		2023	2024	24.723	24.087
b. Population living on less than \$3.65 a day (number)		2023	2024	172,900,000	170,600,000
2. Youth not in education or training (%)		2022	2023	14.93	11.05
a. Female		2022	2023	18.29	12.02
b. Male		2022	2023	11.42	10.14
3. Lower secondary education graduation rate (%)		2022	2023	82.23	86.2
a. Female		2022	2023	84.57	90.59
b. Male		2022	2023	80.04	83.08
4. Universal health-care coverage service index (%)		2019	2021	53.27	53.32
5. Proportion of adults (15 years and older) with an account at a bank, financial institution, and/or mobile money service provider (%)		2017	2021	34.46	39.25
a. Female		2017	2021	26.23	33.01
b. Male		2017	2021	42.55	45.68
6. Income inequality (average Gini coefficient)		2016	2022	32.90	30.15
7. Labor force participation rate (%)		2021	2022	59.98	59.85
a. Female		2021	2022	41.49	40.87
b. Male		2021	2022	79	79.39
8. Proportion of time spent on unpaid domestic and care work (%)					
a. Female		2017	2019	13.60	19.29
b. Male		2015	2017	8.26	10.06
9. Forest area as a proportion of total land area (%)		2021	2022	38.94	38.89
10. Coverage of protected areas in relation to marine areas (%)		2021	2022	6.82	6.82
11. Environmental performance index score (average number)		2022	2024	33.74	37.13
12. Deaths attributed to climate-related and geophysical hazards (number) <sup>b</sup>		2023	2024	3,573	3,689
a. Climate-related hazards		2023	2024	948	3,674
b. Geophysical hazards		2023	2016	2,625	15
13. Access to social protection—social assistance (%)		2017	2018	5.29	8.11

continued on page 107

continued from page 104

## LEVEL 1: Development Progress in Asia and the Pacific

### ADB Developing Member Countries Overall

Indicator	SDG	Baseline Year	Latest Year	Baseline Value	Latest Value
14. Proportion of population with primary reliance on clean fuels and technology for cooking (%)		2021	2022	73.62	76.08
15. Debt sustainability					
a. Present value of debt (% of GNI)		2020	2022	6.10	4.89
b. Total debt service (% of GNI)		2022	2023	2.9	2.8
16. Tax revenue (% of GDP)		2022	2023	8.24	13.99
17. Time to start a business (days)		2018	2019	21.86	21.46
18. Regional cooperation and integration index—money and finance (average score)		2021	2022	0.436	0.433
19. Proportion of population with access to electricity (%)		2021	2022	98.69	98.49
20. Proportion of population using basic drinking water services (%)		2021	2022	94.11	94.76
a. Rural		2021	2022	91.24	92.32
b. Urban		2021	2022	97.28	97.38
21. Proportion of population using basic sanitation services (%)		2021	2022	83.09	84.95
a. Rural		2021	2022	77.03	79.45
b. Urban		2021	2022	89.81	90.87
22. Paved roads (kilometer per 10,000 people)		2021	2022	27.07	27.55
23. Proportion of population covered by a mobile network and/or information and communication technology (%)		2021	2022	98.57	98.76

ADB = Asian Development Bank, GDP = gross domestic product, GNI = gross national income, SDG = Sustainable Development Goal.

Notes:

1. Estimates are averages of actual country values or imputed country values where data are missing for the year required, weighted by population size.
2. “Concessional assistance countries” refers to a subset of ADB developing member countries that have access to Asian Development Fund grants and concessional ordinary capital resources loans (group A and B countries except India).
3. Gray shading in cells indicates the column heading does not apply.

<sup>a</sup> The World Bank introduced the \$3.65 income per day international poverty threshold in 2022 and revised its estimates in September 2022 reflecting 2017 purchasing power parity (PPP) and new rounds of survey data for India. World Bank. 2022. September 2022 Update to the Poverty and Inequality Platform (PIP): What’s New. Global Poverty Monitoring Technical Note. No. 24. Washington, DC.

<sup>b</sup> Climate-related hazards include climatological, hydrological, and meteorological hazards.

Sources: Regional aggregates were prepared by ADB's Strategy, Policy, and Partnerships Department using country data from the following sources: ADB Economic Research and Regional Cooperation Department; Centre for Research on the Epidemiology of Disasters. Emergency Events Database. <https://www.emdat.be/database> (accessed 06 January 2024); Global Carbon Budget Project. <https://www.globalcarbonproject.org/carbonbudget/> (accessed 27 December 2023); World Health Organization. The Global Health Observatory. <https://www.who.int/data/gho/data/indicators/indicator-details/GHO/gho-jme-country-children-aged-5-years-stunted--height-for-age--2-sd>. (accessed 19 December 2022). World Bank. Worldwide Governance Indicators. <https://datacatalog.worldbank.org/dataset/worldwide-governance-indicators> (accessed 06 January 2025); and World Bank. World Development Indicators. <https://databank.worldbank.org/source/world-development-indicators> (accessed 06 January 2025). Population data used as weights are from the following sources: World Bank. World Development Indicators. <https://databank.worldbank.org/source/world-development-indicators> (accessed 14 December 2023).



continued from page 105

## LEVEL 1: Development Progress in Asia and the Pacific

### ADB Concessional Assistance Countries

Indicator	SDG	Baseline Year	Latest Year	Baseline Value	Latest Value
14. Proportion of population with primary reliance on clean fuels and technology for cooking (%)		2021	2022	50.27	51.89
15. Debt sustainability		2020	2022	22.76	17.3
a. Present value of debt (% of GNI)		2022	2023	4.56	4.95
b. Total debt service (% of GNI)					
16. Tax revenue (% of GDP)		2022	2023	11.41	11.49
17. Time to start a business (days)		2018	2019	25.32	24.96
18. Regional cooperation and integration index—money and finance (average score)		2021	2022	0.49	0.501
19. Proportion of population with access to electricity (%)		2021	2022	94.14	93.93
20. Proportion of population using basic drinking water services (%)		2021	2022	91.14	91.51
a. Rural		2021	2022	88.59	89.05
b. Urban		2021	2022	95.78	95.81
21. Proportion of population using basic sanitation services (%)		2021	2022	71.62	72.92
a. Rural		2021	2022	68.16	69.71
b. Urban		2021	2022	77.87	78.51
22. Paved roads (kilometer per 10,000 people)		2021	2022	8.89	8.84
23. Proportion of population covered by a mobile network and/or information and communication technology (%)		2021	2022	94.94	95.41

ADB = Asian Development Bank, GDP = gross domestic product, GNI = gross national income, SDG = Sustainable Development Goal.

Notes:

1. Estimates are averages of actual country values or imputed country values where data are missing for the year required, weighted by population size.
2. “Concessional assistance countries” refers to a subset of ADB developing member countries that have access to Asian Development Fund grants and concessional ordinary capital resources loans (group A and B countries except India).
3. Gray shading in cells indicates the column heading does not apply.

<sup>a</sup> The World Bank introduced the \$3.65 income per day international poverty threshold in 2022 and revised its estimates in September 2022 reflecting 2017 purchasing power parity (PPP) and new rounds of survey data for India. World Bank. 2022. September 2022 Update to the Poverty and Inequality Platform (PIP): What’s New. Global Poverty Monitoring Technical Note. No. 24. Washington, DC.

<sup>b</sup> Climate-related hazards include climatological, hydrological, and meteorological hazards.

Sources: Regional aggregates were prepared by ADB's Strategy, Policy, and Partnerships Department using country data from the following sources: ADB Economic Research and Regional Cooperation Department; Centre for Research on the Epidemiology of Disasters. Emergency Events Database. <https://www.emdat.be/database> (accessed 06 January 2025); Global Carbon Budget Project. <https://www.globalcarbonproject.org/carbonbudget/> (accessed 27 December 2023); World Health Organization. The Global Health Observatory. [https://www.who.int/data/gho/data/indicators/indicator-details/GHO/gho-jme-country-children-aged-5-years-stunted-\(height-for-age--2-sd\)](https://www.who.int/data/gho/data/indicators/indicator-details/GHO/gho-jme-country-children-aged-5-years-stunted-(height-for-age--2-sd)) (accessed 19 December 2022). World Bank. Worldwide Governance Indicators. <https://datacatalog.worldbank.org/dataset/worldwide-governance-indicators> (accessed 06 January 2025); and World Bank. World Development Indicators. <https://databank.worldbank.org/source/world-development-indicators> (accessed 06 January 2025). Population data used as weights are from the following sources: World Bank. World Development Indicators. <https://databank.worldbank.org/source/world-development-indicators> (accessed 14 December 2023).

## LEVEL 2: Results from Completed Operations

### ADB Operations Overall

Indicator	SDG	Results Achieved 2024
<b>LEVEL 2A. STRATEGY 2030 OPERATIONAL PRIORITY RESULTS</b>		
<b>Operational Priority 1: Addressing Remaining Poverty and Reducing Inequalities</b>		
1.1.1 People enrolled in improved education and/or training (number)		10,906,000
1.1.2 Health services established or improved (number)		13
1.1.3 Social protection schemes established or improved (number)		30
1.2.1 Business development and financial sector measures supported in implementation (number)		17
1.2.2 Models for business development and financing established or improved (number)		6
1.2.3 Enhanced labor policies or standards implemented (number)		1
1.3.1 Infrastructure assets established or improved (number)		29,000
1.3.2 New financial products and services made available to poor and vulnerable people (number)		13
1.3.3 Measures for increased inclusiveness supported in implementation (number)		21
<b>Operational Priority 2: Accelerating Progress in Gender Equality</b>		
2.1.1 Women enrolled in TVET and other job trainings (number)		964,000
2.1.2 Women opening new accounts (number)		3,179,000
2.1.3 Women-owned or -led SME loan accounts opened or women-owned or -led SME end borrowers reached (number)		1,881,000
2.1.4 Women and girls benefiting from new or improved infrastructure (number)		5,083,000
2.2.1 Women and girls enrolled in STEM or nontraditional TVET (number)		19,000
2.2.2 Health services for women and girls established or improved (number)		5
2.2.3 Solutions to prevent or address gender-based violence implemented (number)		20
2.3.1 Women with strengthened leadership capacities (number)		81
2.3.2 Measures on gender equality supported in implementation (number)		69
2.4.1 Time-saving or gender-responsive infrastructure assets and/or services established or improved (number)		260

continued on page 110

## LEVEL 2: Results from Completed Operations

### Operations Financed by Concessional OCR Loans and ADF Grants

Indicator	SDG	Results Achieved 2024
<b>LEVEL 2A. STRATEGY 2030 OPERATIONAL PRIORITY RESULTS</b>		
<b>Operational Priority 1: Addressing Remaining Poverty and Reducing Inequalities</b>		
1.1.1 People enrolled in improved education and/or training (number)		318,000
1.1.2 Health services established or improved (number)		4
1.1.3 Social protection schemes established or improved (number)		19
1.2.1 Business development and financial sector measures supported in implementation (number)		11
1.2.2 Models for business development and financing established or improved (number)		3
1.2.3 Enhanced labor policies or standards implemented (number)		
1.3.1 Infrastructure assets established or improved (number)		27
1.3.2 New financial products and services made available to poor and vulnerable people (number)		6
1.3.3 Measures for increased inclusiveness supported in implementation (number)		15
<b>Operational Priority 2: Accelerating Progress in Gender Equality</b>		
2.1.1 Women enrolled in TVET and other job trainings (number)		52,000
2.1.2 Women opening new accounts (number)		3,160,000
2.1.3 Women-owned or -led SME loan accounts opened or women-owned or -led SME end borrowers reached (number)		107,000
2.1.4 Women and girls benefiting from new or improved infrastructure (number)		290,000
2.2.1 Women and girls enrolled in STEM or nontraditional TVET (number)		
2.2.2 Health services for women and girls established or improved (number)		2
2.2.3 Solutions to prevent or address gender-based violence implemented (number)		3
2.3.1 Women with strengthened leadership capacities (number)		72
2.3.2 Measures on gender equality supported in implementation (number)		28
2.4.1 Time-saving or gender-responsive infrastructure assets and/or services established or improved (number)		56

continued on page 111

continued from page 108

## LEVEL 2: Results from Completed Operations

### ADB Operations Overall

Indicator	SDG	Results Achieved 2024
2.4.2 Child and elderly care services established or improved (number)	5 GENDER EQUALITY	2
2.5.1 Community-based initiatives to build resilience of women and girls under external shocks implemented (number)	1 NO POVERTY	
2.5.2 Climate- and disaster-resilient infrastructure assets and/or services for women and girls established or improved (number)	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	
2.5.3 Savings and insurance schemes for women implemented or established (number)	8 DIVERSITY, RACE AND ECONOMIC GROWTH	1
2.5.4 Dedicated crisis-responding social assistance schemes for women and girls implemented or established (number)	1 NO POVERTY	1

#### Operational Priority 3: Tackling Climate Change, Building Climate and Disaster Resilience, and Enhancing Environmental Sustainability

3.1.1 Additional climate finance mobilized (\$)	13 CLIMATE ACTION	3,087,508,000
3.1.2 People with increased capacity in implementing mitigation and low-carbon development actions (number)	13 CLIMATE ACTION	690
3.1.3 Low-carbon infrastructure assets established or improved (number)	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	240
3.1.4 Installed renewable energy capacity (megawatts)	7 AFFORDABLE AND CLEAN ENERGY	1,900
3.1.5 Low-carbon solutions promoted and implemented (number)	13 CLIMATE ACTION	28
3.2.1 Area with reduced flood risk (hectare)	14 LIFE BELOW WATER	1,300
3.2.2 Gender-inclusive climate and disaster resilience capacity development initiatives implemented (number)	5 GENDER EQUALITY	2
3.2.3 Financial preparedness instruments provided (number)	1 NO POVERTY	2
3.2.4 National and subnational disaster risk reduction and/or management plans supported in implementation (number)	13 CLIMATE ACTION	51
3.2.5 New and existing infrastructure assets made climate and disaster resilient (number)	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	72
3.3.1 Pollution control-enhancing infrastructure assets established or improved (number)	3 GOOD HEALTH AND WELL-BEING	29
3.3.2 Solutions to enhance pollution control and resource efficiency implemented (number)	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	1
3.3.3 Terrestrial, coastal, and marine areas conserved, restored, and/or enhanced (hectare)	14 LIFE BELOW WATER	3,600
3.3.4 Solutions to conserve, restore, and/or enhance terrestrial, coastal, and marine areas implemented (number)	14 LIFE BELOW WATER	4
3.3.5 Sustainable water–food–energy security nexus solutions implemented (number)	6 CLEAN WATER AND SANITATION	4

continued on page 112

continued from page 109

## LEVEL 2: Results from Completed Operations

### Operations Financed by Concessional OCR Loans and ADF Grants

Indicator	SDG	Results Achieved 2024
2.4.2 Child and elderly care services established or improved (number)	5 GENDER EQUALITY 	1
2.5.1 Community-based initiatives to build resilience of women and girls under external shocks implemented (number)	1 NO POVERTY 	
2.5.2 Climate- and disaster-resilient infrastructure assets and/or services for women and girls established or improved (number)	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	
2.5.3 Savings and insurance schemes for women implemented or established (number)	8 DECENT WORK AND ECONOMIC GROWTH 	1
2.5.4 Dedicated crisis-responding social assistance schemes for women and girls implemented or established (number)	1 NO POVERTY 	
<b>Operational Priority 3: Tackling Climate Change, Building Climate and Disaster Resilience, and Enhancing Environmental Sustainability</b>		
3.1.1 Additional climate finance mobilized (\$)	13 CLIMATE ACTION 	14,843,000
3.1.2 People with increased capacity in implementing mitigation and low-carbon development actions (number)	13 CLIMATE ACTION 	290
3.1.3 Low-carbon infrastructure assets established or improved (number)	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	
3.1.4 Installed renewable energy capacity (megawatts)	7 AFFORDABLE, RELIABLE AND SUSTAINABLE ENERGY 	
3.1.5 Low-carbon solutions promoted and implemented (number)	13 CLIMATE ACTION 	
3.2.1 Area with reduced flood risk (hectare)	14 LIFE BELOW WATER 	39
3.2.2 Gender-inclusive climate and disaster resilience capacity development initiatives implemented (number)	5 GENDER EQUALITY 	1
3.2.3 Financial preparedness instruments provided (number)	1 NO POVERTY 	2
3.2.4 National and subnational disaster risk reduction and/or management plans supported in implementation (number)	13 CLIMATE ACTION 	46
3.2.5 New and existing infrastructure assets made climate and disaster resilient (number)	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	19
3.3.1 Pollution control-enhancing infrastructure assets established or improved (number)	3 GOOD HEALTH AND WELL-BEING 	10
3.3.2 Solutions to enhance pollution control and resource efficiency implemented (number)	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	
3.3.3 Terrestrial, coastal, and marine areas conserved, restored, and/or enhanced (hectare)	14 LIFE BELOW WATER 	
3.3.4 Solutions to conserve, restore, and/or enhance terrestrial, coastal, and marine areas implemented (number)	14 LIFE BELOW WATER 	1
3.3.5 Sustainable water-food-energy security nexus solutions implemented (number)	6 CLEAN WATER AND SANITATION 	3

continued on page 113

continued from page 110

## LEVEL 2: Results from Completed Operations

### ADB Operations Overall

Indicator	SDG	Results Achieved 2024
<b>Operational Priority 4: Making Cities More Livable</b>		
4.1.1 Service providers with improved performance (number)		36
4.1.2 Urban infrastructure assets established or improved (number)		280
4.2.1 Measures to improve regulatory, legal, and institutional environment for better planning supported in implementation (number)		6
4.2.2 Measures to improve financial sustainability supported in implementation (number)		5
4.3.1 Solutions to enhance urban environment implemented (number)		6
4.3.2 Urban climate and disaster resilience capacity development initiatives implemented (number)		
<b>Operational Priority 5: Promoting Rural Development and Food Security</b>		
5.1.1 Rural infrastructure assets established or improved (number)		30,000
5.1.2 Companies providing new or improved nonagricultural goods and services (number)		3
5.1.3 Health care, education, and financial services established or improved (number)		6
5.1.4 Rural economic hubs supported (number)		
5.2.1 Wholesale markets established or improved (number)		
5.2.2 Storages, agri-logistics, and modern retail assets established or improved (number)		
5.2.3 Agribusinesses integrating farmers in efficient value chains (number)		3
5.2.4 Food safety and traceability standards improved (number)		2
5.3.1 Land improved through climate-resilient irrigation infrastructure and water delivery services (hectare)		171,000
5.3.2 Farmers using quality farm inputs and sustainable mechanization (number)		
5.3.3 Commercial farming land supported (hectare)		
5.3.4 Modern knowledge-intensive corporate farming models introduced (number)		

continued on page 114

continued from page 111

## LEVEL 2: Results from Completed Operations

### Operations Financed by Concessional OCR Loans and ADF Grants

Indicator	SDG	Results Achieved 2024
 <b>Operational Priority 4: Making Cities More Livable</b>		
4.1.1 Service providers with improved performance (number)	 11 SUSTAINABLE CITIES AND COMMUNITIES	12
4.1.2 Urban infrastructure assets established or improved (number)	 11 SUSTAINABLE CITIES AND COMMUNITIES	47
4.2.1 Measures to improve regulatory, legal, and institutional environment for better planning supported in implementation (number)	 11 SUSTAINABLE CITIES AND COMMUNITIES	
4.2.2 Measures to improve financial sustainability supported in implementation (number)	 11 SUSTAINABLE CITIES AND COMMUNITIES	2
4.3.1 Solutions to enhance urban environment implemented (number)	 11 SUSTAINABLE CITIES AND COMMUNITIES	4
4.3.2 Urban climate and disaster resilience capacity development initiatives implemented (number)	 11 SUSTAINABLE CITIES AND COMMUNITIES	
 <b>Operational Priority 5: Promoting Rural Development and Food Security</b>		
5.1.1 Rural infrastructure assets established or improved (number)	 2 ZERO HUNGER	48
5.1.2 Companies providing new or improved nonagricultural goods and services (number)	 2 ZERO HUNGER	3
5.1.3 Health care, education, and financial services established or improved (number)	 8 DECENT WORK AND ECONOMIC GROWTH	4
5.1.4 Rural economic hubs supported (number)	 2 ZERO HUNGER	
5.2.1 Wholesale markets established or improved (number)	 2 ZERO HUNGER	
5.2.2 Storages, agri-logistics, and modern retail assets established or improved (number)	 2 ZERO HUNGER	
5.2.3 Agribusinesses integrating farmers in efficient value chains (number)	 2 ZERO HUNGER	
5.2.4 Food safety and traceability standards improved (number)	 2 ZERO HUNGER	1
5.3.1 Land improved through climate-resilient irrigation infrastructure and water delivery services (hectare)	 2 ZERO HUNGER	
5.3.2 Farmers using quality farm inputs and sustainable mechanization (number)	 2 ZERO HUNGER	
5.3.3 Commercial farming land supported (hectare)	 2 ZERO HUNGER	
5.3.4 Modern knowledge-intensive corporate farming models introduced (number)	 2 ZERO HUNGER	

continued on page 115

continued from page 112

## LEVEL 2: Results from Completed Operations

### ADB Operations Overall

Indicator	SDG	Results Achieved 2024
<b>Operational Priority 6: Strengthening Governance and Institutional Capacity</b>		
6.1.1 Government officials with increased capacity to design, implement, monitor, and evaluate relevant measures (number)	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	34,000
6.1.2 Measures supported in implementation to improve capacity of public organizations to promote the private sector and finance sector (number)	17 PARTNERSHIPS FOR THE GOALS	44
6.1.3 Measures supported in implementation that promote resilience and responsiveness to economic shocks in a timely manner (number)	1 NO POVERTY	48
6.1.4 Transparency and accountability measures in procurement and financial management supported in implementation (number)	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	11
6.2.1 Service delivery standards adopted and/or supported in implementation by government and/or private entities (number)	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	76
6.2.2 Measures supported in implementation to strengthen subnational entities' ability to better manage their public finances (number)	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	14
6.2.3 Measures to strengthen SOE governance supported in implementation (number)	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	3
6.2.4 Citizen engagement mechanisms adopted (number)	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	2
<b>Operational Priority 7: Fostering Regional Cooperation and Integration</b>		
7.1.1 Transport and ICT connectivity assets established or improved (number)	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	9
7.1.2 Measures to improve the efficiency and/or productivity of cross-border connectivity supported in implementation (number)	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	2
7.1.3 Clean energy capacity for power trade installed or improved (megawatt equivalent)	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	
7.1.4 Regional or subregional mechanisms created or operationalized to enhance coordination and cooperation among DMCs in energy, transport, or ICT connectivity (number)	17 PARTNERSHIPS FOR THE GOALS	1
7.2.1 Measures to improve execution of provisions in existing or new trade or investment agreements supported in implementation (number)	17 PARTNERSHIPS FOR THE GOALS	4
7.2.2 Measures to develop existing and/or new cross-border economic corridors supported in implementation (number)	17 PARTNERSHIPS FOR THE GOALS	2
7.2.3 Measures to improve regional financial cooperation supported in implementation (number)	17 PARTNERSHIPS FOR THE GOALS	
7.2.4 Regional or subregional mechanisms created or operationalized to enhance coordination and cooperation among DMCs in trade, finance, or multisector economic corridors (number)	17 PARTNERSHIPS FOR THE GOALS	1
7.3.1 Measures to improve shared capacity of DMCs to mitigate or adapt to climate change supported in implementation (number)	13 CLIMATE ACTION	
7.3.2 Measures to expand cross-border environmental protection and sustainable management of shared natural resources supported in implementation (number)	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	2
7.3.3 Measures to improve regional public health and education services supported in implementation (number)	1 NO POVERTY	1
7.3.4 Regional or subregional mechanisms created or operationalized to enhance coordination and cooperation among DMCs on regional public goods (number)	17 PARTNERSHIPS FOR THE GOALS	1

ADB = Asian Development Bank; ADF = Asian Development Fund; DMC = developing member country; ICT = information and communication technology; OCR = ordinary capital resources; SDG = Sustainable Development Goal; SME = small and medium-sized enterprises; SOE = state-owned enterprise; STEM = science, technology, engineering, and mathematics; TVET = technical and vocational education and training.

continued from page 113

## LEVEL 2: Results from Completed Operations

### Operations Financed by Concessional OCR Loans and ADF Grants

Indicator	SDG	Results Achieved 2024
<b>Operational Priority 6: Strengthening Governance and Institutional Capacity</b>		
6.1.1 Government officials with increased capacity to design, implement, monitor, and evaluate relevant measures (number)		16,000
6.1.2 Measures supported in implementation to improve capacity of public organizations to promote the private sector and finance sector (number)		33
6.1.3 Measures supported in implementation that promote resilience and responsiveness to economic shocks in a timely manner (number)		37
6.1.4 Transparency and accountability measures in procurement and financial management supported in implementation (number)		4
6.2.1 Service delivery standards adopted and/or supported in implementation by government and/or private entities (number)		32
6.2.2 Measures supported in implementation to strengthen subnational entities' ability to better manage their public finances (number)		6
6.2.3 Measures to strengthen SOE governance supported in implementation (number)		
6.2.4 Citizen engagement mechanisms adopted (number)		
<b>Operational Priority 7: Fostering Regional Cooperation and Integration</b>		
7.1.1 Transport and ICT connectivity assets established or improved (number)		6
7.1.2 Measures to improve the efficiency and/or productivity of cross-border connectivity supported in implementation (number)		2
7.1.3 Clean energy capacity for power trade installed or improved (megawatt equivalent)		
7.1.4 Regional or subregional mechanisms created or operationalized to enhance coordination and cooperation among DMCs in energy, transport, or ICT connectivity (number)		1
7.2.1 Measures to improve execution of provisions in existing or new trade or investment agreements supported in implementation (number)		4
7.2.2 Measures to develop existing and/or new cross-border economic corridors supported in implementation (number)		2
7.2.3 Measures to improve regional financial cooperation supported in implementation (number)		
7.2.4 Regional or subregional mechanisms created or operationalized to enhance coordination and cooperation among DMCs in trade, finance, or multisector economic corridors (number)		1
7.3.1 Measures to improve shared capacity of DMCs to mitigate or adapt to climate change supported in implementation (number)		
7.3.2 Measures to expand cross-border environmental protection and sustainable management of shared natural resources supported in implementation (number)		2
7.3.3 Measures to improve regional public health and education services supported in implementation (number)		1
7.3.4 Regional or subregional mechanisms created or operationalized to enhance coordination and cooperation among DMCs on regional public goods (number)		1

ADB = Asian Development Bank; ADF = Asian Development Fund; DMC = developing member country; ICT = information and communication technology; OCR = ordinary capital resources; SDG = Sustainable Development Goal; SME = small and medium-sized enterprises; SOE = state-owned enterprise; STEM = science, technology, engineering, and mathematics; TVET = technical and vocational education and training.

## LEVEL 2: Results from Completed Operations

### ADB Operations Overall

Indicator	Period	2018	2019	2020	2021	2022	2023	2024
<b>LEVEL 2B. QUALITY OF COMPLETED OPERATIONS</b>								
1. Completed operations rated <i>successful</i> (%) (sovereign)								
a. Investment projects	3-year	76	70	68	70	67	66	61
b. Policy-based operations	3-year	89	82	84	71	73	83	88
c. Fragile and conflict-affected situations DMCs	3-year	75	56	56	62	52	48	43
d. Small island developing states	3-year	59	42	56	52	48	54	56
2. Completed operations rated <i>successful</i> (%) (sovereign)								
a. Relevance	3-year	88	82	82	83	85	86	86
b. Efficiency	3-year	72	74	71	70	66	68	69
c. Effectiveness	3-year	74	68	63	68	67	72	68
d. Sustainability	3-year	69	61	62	65	67	64	63
3. Completed operations rated <i>successful</i> (%) (nonsovereign)								
a. Development results	3-year	54	51	54	57	58	60	56
b. ADB's additionality	3-year	63	54	56	57	61	66	69
c. ADB's investment profitability	3-year	74	71	67	63	66	66	68
d. ADB's work quality	3-year	51	40	56	59	63	57	59
4. Web-distributed knowledge solutions (number of downloads)	Annual	725,000	834,900	978,229	1,368,368	1,467,445	1,255,969	678,579
5. Engagement on social media (number)								
a. Subscribers and followers	Annual	653,788	774,792	921,414	1,028,562	1,094,654	1,170,572	1,275,662
b. Active engagement <sup>a</sup>	Annual	2,809,867	1,764,273	2,499,784	1,022,332	2,191,073	1,468,649	1,708,870
6. Event participants reporting increased knowledge and/or skills (number) <sup>b</sup>	Annual					9,443	2,546	3,416
7. Clients satisfied with ADB's development effectiveness (%) <sup>c</sup>	Every 2 years			75		78		77
8. Completed technical assistance projects rated <i>successful</i> (%) (sovereign and nonsovereign)	3-year	88	86	83	82	83	87	88

continued on page 118

## LEVEL 2: Results from Completed Operations

### Operations Financed by Concessional OCR Loans and ADF Grants

Indicator	Period	2018	2019	2020	2021	2022	2023	2024
<b>LEVEL 2B. QUALITY OF COMPLETED OPERATIONS</b>								
1. Completed operations rated <i>successful</i> (%) (sovereign)								
a. Investment projects	3-year	73	66	64	65	60	59	57
b. Policy-based operations	3-year	92	83	75	56	56	71	80
c. Fragile and conflict-affected situations DMCs	3-year	75	56	53	58	48	46	42
d. Small island developing states	3-year	62	47	53	48	42	47	52
2. Completed operations rated <i>successful</i> (%) (sovereign)								
a. Relevance	3-year	89	83	80	81	82	84	84
b. Efficiency	3-year	73	75	71	68	60	63	65
c. Effectiveness	3-year	73	64	56	60	59	67	65
d. Sustainability	3-year	66	59	59	61	64	60	58
3. Completed operations rated <i>successful</i> (%) (nonsovereign)								
a. Development results								
b. ADB's additionality								
c. ADB's investment profitability								
d. ADB's work quality								
4. Web-distributed knowledge solutions (number of downloads)								
5. Engagement on social media (number)								
a. Subscribers and followers								
b. Active engagement <sup>a</sup>								
6. Event participants reporting increased knowledge and/or skills (number) <sup>b</sup>								
7. Clients satisfied with ADB's development effectiveness (%) <sup>c</sup>								
8. Completed technical assistance projects rated <i>successful</i> (%) (sovereign and nonsovereign)	3-year	88	86	87	86	88	89	90

continued on page 119

continued from page 116

## LEVEL 2: Results from Completed Operations

### ADB Operations Overall

Indicator	Period	2018	2019	2020	2021	2022	2023	2024
9. Completed country strategies and assistance programs rated <i>successful</i> (%) (sovereign and nonsovereign)	3-year	80	87	88	79	63		
10. Impact evaluations completed (number)	Annual	2	2	2	2	8	4	4
11. Operations with meaningful civil society organization engagement (%)	Annual			79	76	85	84	78

ADB = Asian Development Bank, ADF = Asian Development Fund, DMC = developing member country, OCR = ordinary capital resources.

Notes:

1. “ADB Operations Overall” are ADB operations financed by regular and concessional OCR and/or ADF grants.
2. Success rates of completed operations and country strategies and assistance programs are ratings evaluated by the Independent Evaluation Department based on validations of project and/or program completion reports, project and/or program performance evaluations, country assistance program evaluations, and validations of country partnership final reviews.
3. Technical assistance success ratings are from technical assistance project completion reports, which are not reviewed by the Independent Evaluation Department.
4. Indicators 1–3 and 8–9 are reported by reporting year, which is based on the year completion reports are circulated, ending on 30 June. An operation with a completion report circulated on 1 July 2023 is in reporting year 2024. Indicators 4–6 and 10–11 are reported by calendar year.
5. Gray shading in cells indicates the column heading does not apply.

<sup>a</sup> The 2022 DEfR reported 3,455,188 active engagement but figure is updated in 2023.

<sup>b</sup> Since 2022, a revised indicator definition is being used to measure event participants to flagship and signature events that are open to DMC and external participants. The data for 2024 is based on 216 events with a total of 4,066 respondents.

<sup>c</sup> Data are measured every 2 years.

Sources: ADB (Strategy, Policy, and Partnerships Department; Department of Communications and Knowledge Management; Independent Evaluation Department; and Climate Change and Sustainable Development Department).



continued from page 117

## LEVEL 2: Results from Completed Operations

### Operations Financed by Concessional OCR Loans and ADF Grants

Indicator	Period	2018	2019	2020	2021	2022	2023	2024
9. Completed country strategies and assistance programs rated <b>successful (%)</b> (sovereign and nonsovereign)	3-year	67	71	71	67	50		
10. Impact evaluations completed (number)	Annual	2	1	1	0	2	3	1
11. Operations with meaningful civil society organization engagement (%)								

ADB = Asian Development Bank, ADF = Asian Development Fund, DMC = developing member country, OCR = ordinary capital resources.

Notes:

1. “ADB Operations Overall” are ADB operations financed by regular and concessional OCR and/or ADF grants.
2. Success rates of completed operations and country strategies and assistance programs are ratings evaluated by the Independent Evaluation Department based on validations of project and/or program completion reports, project and/or program performance evaluations, country assistance program evaluations, and validations of country partnership final reviews.
3. Technical assistance success ratings are from technical assistance project completion reports, which are not reviewed by the Independent Evaluation Department.
4. Indicators 1–3 and 8–9 are reported by reporting year, which is based on the year completion reports are circulated, ending on 30 June. An operation with a completion report circulated on 1 July 2022 is in reporting year 2023. Indicators 4–6 and 10–11 are reported by calendar year.
5. Gray shading in cells indicates the column heading does not apply.

<sup>a</sup> The 2022 DEfR reported 3,455,188 active engagement but figure is updated in 2023.

<sup>b</sup> Since 2022, a revised indicator definition is being used to measure event participants to flagship and signature events that are open to DMC and external participants. The data for 2024 is based on 216 events with a total of 4,066 respondents.

<sup>c</sup> Data are measured every 2 years.

Sources: ADB (Strategy, Policy, and Partnerships Department; Department of Communications and Knowledge Management; Independent Evaluation Department; and Climate Change and Sustainable Development Department).

## LEVEL 3: ADB's Operational Management

### ADB Operations Overall

Indicator	SDG	Period	2018	2019	2020	2021	2022	2023	2024
<b>LEVEL 3A. DESIGN AND IMPLEMENTATION QUALITY</b>									
1. Performance of operations at implementation rated <i>satisfactory</i> (%) (sovereign) <sup>a</sup>		Annual		52	64	67	67	65	68
a. Output		Annual		84	86	90	89	87	90
b. Contract award		Annual		75	68	72	73	71	69
c. Disbursement		Annual		75	67	72	72	72	76
d. Financial management		Annual		65	88	88	86	85	84
e. Safeguards		Annual		73	81	85	85	89	88
<b>LEVEL 3B. DEVELOPMENT FINANCE</b>									
2. Time from concept approval to first disbursement (months) (sovereign)		Annual	31.8	30.5	28.3	28.2	30.5	37.6	33.3
a. From concept approval to loan fact-finding		Annual	14.3	10.8	10.9	10.5	11.2	11.9	13.0
b. From loan fact-finding to approval		Annual	8.3	7.2	7.5	6.6	7.4	14.1	9.6
c. From approval to commitment		Annual	3.5	3.3	2.1	2.8	1.9	1.3	1.7
d. From commitment to first disbursement		Annual	5.7	9.2	8.9	10.3	10.1	10.3	9.0
3. Time from concept approval to first disbursement (months) (nonsovereign)		Annual	16.4	16.3	14.7	14.0	16.8	14.9	16.0
a. From concept clearance to project approval		Annual	7.2	8.4	7.3	5.9	7.1	7.7	7.2
b. From approval to signing		Annual	5.6	3.8	2.6	3.2	4.3	2.3	3.4
c. From signing to first disbursement		Annual	3.7	4.1	4.7	4.9	5.4	4.9	5.4
4. Overall disbursement (\$ billion) (sovereign)		Annual	9.2	9.5	9.2	11.1	11.0	10.0	10.0
5. Disbursement ratio (%) (sovereign)		Annual	21.1	19.6	18.5	23.0	22.5	21.7	19.4
6. Approvals (\$ billion) (sovereign and nonsovereign)		Annual	19.3	19.4	27.9	20.3	17.8	23.7	20.3
7. Commitments (\$ billion) (sovereign and nonsovereign)		Annual	21.6	21.6	28.2	19.5	17.5	21.3	21.8
8. Commitments in concessional assistance countries (group A + group B) (%) (sovereign and nonsovereign)									
9. Commitments in FCAS DMCs and SIDS (%) (sovereign and nonsovereign)		Annual	8	8	10	6	9	4	7
10. Private direct mobilization (\$ billion) (sovereign and nonsovereign) <sup>b</sup>		Annual	0.8	1.7	1.3	1.3	1.0	1.9	
11. Sovereign cofinancing (\$ billion) (sovereign)		Annual		4.8	11.1	5.0	4.3	9.5	6.2

continued on page 122

## LEVEL 3: ADB's Operational Management

### Operations Financed by Concessional OCR Loans and ADF Grants

Indicator	SDG	Period	2018	2019	2020	2021	2022	2023	2024
<b>LEVEL 3A. DESIGN AND IMPLEMENTATION QUALITY</b>									
1. Performance of operations at implementation rated <i>satisfactory</i> (%) (sovereign) <sup>a</sup>		Annual		53	65	73	71	65	68
a. Output		Annual		84	85	89	88	86	89
b. Contract award		Annual		75	71	76	76	71	70
c. Disbursement		Annual		72	67	76	74	74	79
d. Financial management		Annual		67	90	91	90	85	82
e. Safeguards		Annual		75	81	84	85	91	90
<b>LEVEL 3B. DEVELOPMENT FINANCE</b>									
2. Time from concept approval to first disbursement (months) (sovereign)		Annual	33.2	29.6	28.2	25.8	26.9	36.5	35.3
a. From concept approval to loan fact-finding		Annual	15.7	10.6	12.1	11.9	11.5	10.7	11.5
b. From loan fact-finding to approval		Annual	8.7	7.0	7.1	6.1	6.7	14.7	12.1
c. From approval to commitment		Annual	2.9	2.9	2.0	2.3	1.7	1.1	2.0
d. From commitment to first disbursement		Annual	5.8	9.0	8.8	8.2	7.9	10.0	9.8
3. Time from concept approval to first disbursement (months) (nonsovereign)									
a. From concept clearance to project approval									
b. From approval to signing									
c. From signing to first disbursement									
4. Overall disbursement (\$ billion) (sovereign)		Annual	1.9	1.9	1.9	2.7	2.0	2.4	2.5
5. Disbursement ratio (%) (sovereign)		Annual	19.8	15.7	14.6	24.8	19.8	21.8	16.0
6. Approvals (\$ billion) (sovereign and nonsovereign)		Annual	5.2	3.5	5.5	3.1	4.0	5.2	5.4
7. Commitments (\$ billion) (sovereign and nonsovereign)		Annual	5.3	4.5	5.4	3.0	4.1	4.9	5.7
8. Commitments in concessional assistance countries (group A + group B) (%) (sovereign and nonsovereign)		Annual	45	40	36	37	47	41	49
9. Commitments in FCAS DMCs and SIDS (%) (sovereign and nonsovereign)		Annual	28	20	36	13	19	16	23
10. Private direct mobilization (\$ billion) (sovereign and nonsovereign) <sup>b</sup>									
11. Sovereign cofinancing (\$ billion) (sovereign)									

continued on page 123

continued from page 120

## LEVEL 3: ADB's Operational Management

### ADB Operations Overall

Indicator	SDG	Period	2018	2019	2020	2021	2022	2023	2024
<b>LEVEL 3C. STRATEGIC ALIGNMENT</b>									
12. Committed operations that promote gender equality (%) (sovereign and nonsovereign)		3-year	8	8	9	9	10	13	16
a1. GEN—sovereign operations		3-year	11	13	10	11	9	13	22
a2. GEN—nonsovereign operations		3-year	44	54	63	69	74	76	75
b1. EGM—sovereign operations		3-year	12	16	27	43	60	75	70
b2. EGM—nonsovereign operations		3-year	23	21	20	20	15	10	8
c1. SGE—sovereign operations		3-year	28	35	45	38	29	13	8
c2. SGE—nonsovereign operations		3-year	25	16	9	2	1	1	1
d1. NGE—sovereign operations		3-year	49	35	18	8	2	0	0
e. Nonsovereign operations rated GEN, EGM, or SGE that meet gender lens investing criteria <sup>c</sup>		3-year					57	58	68
13. Financing for gender equality (%) (sovereign and nonsovereign)		3-year	41	51	65	77	86	92	94
14. Committed operations supporting climate change (%) (sovereign and nonsovereign)		3-year	17	16	14	13	14	17	24
a. Only mitigation		3-year	28	26	22	16	14	16	16
b. Only adaptation		3-year	12	17	22	27	36	46	52
15. Financing for climate change (\$ billion, cumulative) (sovereign and nonsovereign)		Annual		5.1	8.6	10.9	14.9	20.4	27.0
a. Mitigation		Annual		1.4	2.2	3.4	6.1	10.4	14.6
b. Adaptation		Annual							
16. Committed operations and financing aligned with Paris Agreement (%) (sovereign and nonsovereign) <sup>d</sup>								100	100
a1. Sovereign operations - % of operations								100	100
a2. Sovereign operations - % of financing								100	100
b1. Nonsovereign operations - % of operations								100	100
b2. Nonsovereign operations - % of financing								100	100
17. Nonsovereign operations as a share of total ADB operations (%,\$) (nonsovereign)		Annual	19.3	17.5	6.2	7.2	8.4	10.6	16.2
18. Operations or transactions supporting inclusive business (number) (nonsovereign)		Annual	6	8	6	10	7	9	9
19. Operations that are green, sustainable, inclusive, and resilient (%) (sovereign and nonsovereign) <sup>e</sup>		Annual		100	100	100			

continued on page 124

continued from page 121

## LEVEL 3: ADB's Operational Management

### Operations Financed by Concessional OCR Loans and ADF Grants

Indicator	SDG	Period	2018	2019	2020	2021	2022	2023	2024
<b>LEVEL 3C. STRATEGIC ALIGNMENT</b>									
12. Committed operations that promote gender equality (%) (sovereign and nonsovereign)		3-year	12	13	10	10	12	19	20
a1. GEN—sovereign operations		3-year	50	60	66	66	73	70	73
a2. GEN—nonsovereign operations									
b1. EGM—sovereign operations		3-year	20	19	18	22	15	11	7
b2. EGM—nonsovereign operations									
c1. SGE—sovereign operations		3-year	18	9	6	1	1	0	0
c2. SGE—nonsovereign operations									
d1. NGE—sovereign operations									
d2. NGE—nonsovereign operations									
e. Nonsovereign operations rated GEN, EGM, or SGE that meet gender lens investing criteria <sup>c</sup>									
13. Financing for gender equality (%) (sovereign and nonsovereign)		3-year	67	71	67	68	79	94	98
14. Committed operations supporting climate change (%) (sovereign and nonsovereign)		3-year	10	8	7	7	7	6	5
a. Only mitigation		3-year	35	36	33	23	18	21	26
b. Only adaptation									
c. Both mitigation and adaptation		3-year	14	19	23	25	36	51	63
15. Financing for climate change (\$ billion, cumulative) (sovereign and nonsovereign)		Annual		0.3	0.7	0.9	1.1	1.5	2.3
a. Mitigation		Annual		0.4	0.6	0.7	1.6	3.2	4.7
b. Adaptation									
16. Committed operations and financing aligned with Paris Agreement (%) (sovereign and nonsovereign) <sup>d</sup>									
a1. Sovereign operations - % of operations									
a2. Sovereign operations - % of financing									
b1. Nonsovereign operations - % of operations									
b2. Nonsovereign operations - % of financing									
17. Nonsovereign operations as a share of total ADB operations (%, \$) (nonsovereign)									
18. Operations or transactions supporting inclusive business (number) (nonsovereign)									
19. Operations that are green, sustainable, inclusive, and resilient (%) (sovereign and nonsovereign) <sup>e</sup>									

continued on page 125

continued from page 122

## LEVEL 3: ADB's Operational Management

### ADB Operations Overall

Indicator	SDG	Period	2018	2019	2020	2021	2022	2023	2024
20. Operations contributing to each of the seven operational priorities (%) (sovereign and nonsovereign)									
Priority 1: Addressing remaining poverty and reducing inequalities		Annual	[75]	[86]	[85]	78	79	75	
Priority 2: Accelerating progress in gender equality		Annual	[92]	[98]	[100]	97	98	97	
Priority 3: Tackling climate change, building climate and disaster resilience, and enhancing environmental sustainability		Annual	[59]	[56]	[63]	81	92	96	
Priority 4: Making cities more livable		Annual	[23]	[23]	[25]	27	24	28	
Priority 5: Promoting rural development and food security		Annual	[27]	[23]	[25]	32	35	29	
Priority 6: Strengthening governance and institutional capacity		Annual	[68]	[73]	[56]	62	66	63	
Priority 7: Fostering regional cooperation and integration		Annual	[22]	[30]	[36]	24	18	18	
21. Operations contributing to social protection (%) (sovereign and nonsovereign)		3-year	5	5	10	12	14	8	7
22. Disability-inclusive operations (%) (sovereign and nonsovereign)		Annual		5	8	15	18	12	13
23. Operations aligned with SDGs (sovereign and nonsovereign) (%)									
SDG 1: No Poverty		Annual		34	56	59	68	52	41
SDG 2: Zero Hunger		Annual		8	16	17	20	21	17
SDG 3: Good Health and Well-being		Annual		12	27	24	16	13	11
SDG 4: Quality Education		Annual		9	5	10	8	10	8
SDG 5: Gender Equality		Annual		52	69	81	92	81	73
SDG 6: Clean Water and Sanitation		Annual		13	14	12	13	16	20
SDG 7: Affordable and Clean Energy		Annual		19	20	15	14	20	24
SDG 8: Decent Work and Economic Growth		Annual		17	37	26	28	32	29
SDG 9: Industry, Innovation and Infrastructure		Annual		30	31	35	35	34	26
SDG 10: Reduced Inequalities		Annual		33	46	42	47	24	16

continued on page 126



continued from page 123

## LEVEL 3: ADB's Operational Management

### Operations Financed by Concessional OCR Loans and ADF Grants

Indicator	SDG	Period	2018	2019	2020	2021	2022	2023	2024
20. Operations contributing to each of the seven operational priorities (%) (sovereign and nonsovereign)									
 Priority 1: Addressing remaining poverty and reducing inequalities									
 Priority 2: Accelerating progress in gender equality									
 Priority 3: Tackling climate change, building climate and disaster resilience, and enhancing environmental sustainability									
 Priority 4: Making cities more livable									
 Priority 5: Promoting rural development and food security									
 Priority 6: Strengthening governance and institutional capacity									
 Priority 7: Fostering regional cooperation and integration									
21. Operations contributing to social protection (%) (sovereign and nonsovereign)		3-year	5	5	11	14	18	13	12
22. Disability-inclusive operations (%) (sovereign and nonsovereign)		Annual		3	5	17	23	16	11
23. Operations aligned with SDGs (sovereign and nonsovereign) (%)									
 SDG 1: No Poverty									
 SDG 2: Zero Hunger									
 SDG 3: Good Health and Well-being									
 SDG 4: Quality Education									
 SDG 5: Gender Equality									
 SDG 6: Clean Water and Sanitation									
 SDG 7: Affordable and Clean Energy									
 SDG 8: Decent Work and Economic Growth									
 SDG 9: Industry, Innovation and Infrastructure									
 SDG 10: Reduced Inequalities									

continued on page 127

continued from page 124

## LEVEL 3: ADB's Operational Management

### ADB Operations Overall

Indicator	SDG	Period	2018	2019	2020	2021	2022	2023	2024
 SDG 11: Sustainable Cities and Communities		Annual		15	20	17	16	20	16
 SDG 12: Responsible Consumption and Production		Annual		14	18	18	19	22	17
 SDG 13: Climate Action		Annual		66	53	61	82	81	82
 SDG 14: Life Below Water		Annual		1	1	0	2	5	3
 SDG 15: Life on Land		Annual		1	2	2	4	4	6
 SDG 16: Peace, Justice, and Strong Institutions		Annual		5	12	10	10	14	11
 SDG 17: Partnerships for the Goals		Annual		6	15	12	11	11	14
24. Operations using country procurement systems (%) (sovereign)		Annual	54	60	76	57	62	64	67
25. Contracts using government e-procurement systems (\$ billion) (sovereign)		Annual		4.5	4.6	3.6	4.1	3.5	4.7
26. Innovative operations and technical assistance projects (%) (sovereign and nonsovereign) <sup>f</sup>									

ADB = Asian Development Bank, ADF = Asian Development Fund, DMC = developing member country, EGM = effective gender mainstreaming, FCAS = fragile and conflict-affected situations, GEN = gender equity theme, NGE = no gender elements, OCR = ordinary capital resources, SDG = Sustainable Development Goal, SGE = some gender elements, SIDS = small island developing states.

Notes:

1. "ADB Operations Overall" are ADB operations financed by regular and concessional OCR and/or ADF grants.
2. "Concessional assistance countries" refers to a subset of ADB DMCs that have access to regular OCR loans, concessional OCR loans, and ADF grants.

3. Gray shading in cells indicates the column heading does not apply.

4. Values presented in square brackets ([x]) were calculated using interim methodologies that will be revised.

<sup>a</sup> A new methodology for this indicator was introduced during the corporate results framework period. Data are reported starting from the first year that the new methodology was fully applied. In addition, in 2021 the methodology was enhanced and retroactively updated 2019 and 2020 scores.

<sup>b</sup> Data were collected with a 2-year time lag.

<sup>c</sup> Values reported represent annual performance only.

<sup>d</sup> Indicator was introduced in 2021, and data are reported starting from 2023. ADB committed to full Paris alignment of its sovereign operations and 85% alignment of its nonsovereign operations by 1 July 2023. In line with this, 100% of both sovereign and nonsovereign projects that ADB approved between 1 July and 31 December 2023 were assessed and confirmed as aligned with the Paris Agreement following the MDB methodological framework for the assessment of operations. Given the mid-year starting time and the time lag between approval and commitment, in terms of percentage of number and volume of operations committed during the full year, this translates to 61% and 68%, respectively.

<sup>e</sup> Measuring and reporting of this indicator was discontinued in 2022.

<sup>f</sup> Monitoring for this indicator will be done once the Innovation Framework is finalized, including its definition and measures for innovation.

Sources: ADB (Central and West Asia Department; Climate Change and Sustainable Development Department; Controller's Department; East Asia Department; Pacific Department; Private Sector Operations Department; Procurement, Portfolio, and Financial Management Department; Sectors Group; South Asia Department; Southeast Asia Department; and Strategy, Policy, and Partnerships Department).



continued from page 125

## LEVEL 3: ADB's Operational Management

### Operations Financed by Concessional OCR Loans and ADF Grants

Indicator	SDG	Period	2018	2019	2020	2021	2022	2023	2024
 SDG 11: Sustainable Cities and Communities									
 SDG 12: Responsible Consumption and Production									
 SDG 13: Climate Action									
 SDG 14: Life Below Water									
 SDG 15: Life on Land									
 SDG 16: Peace, Justice, and Strong Institutions									
 SDG 17: Partnerships for the Goals									
24. Operations using country procurement systems (%) (sovereign)	Annual	35	58	76	14	67	56	70	
25. Contracts using government e-procurement systems (\$ billion) (sovereign)									
26. Innovative operations and technical assistance projects (%) (sovereign and nonsovereign) <sup>f</sup>									

ADB = Asian Development Bank, ADF = Asian Development Fund, DMC = developing member country, EGM = effective gender mainstreaming, FCAS = fragile and conflict-affected situations, GEN = gender equity theme, NGE = no gender elements, OCR = ordinary capital resources, SDG = Sustainable Development Goal, SGE = some gender elements, SIDS = small island developing states.

Notes:

1. “ADB Operations Overall” are ADB operations financed by regular and concessional OCR and/or ADF grants.
2. “Concessional assistance countries” refers to a subset of ADB DMCs that have access to regular OCR loans, concessional OCR loans, and ADF grants.
3. Gray shading in cells indicates the column heading does not apply.
4. Values presented in square brackets ([x]) were calculated using interim methodologies that will be revised.
  - <sup>a</sup> A new methodology for this indicator was introduced during the corporate results framework period. Data are reported starting from the first year that the new methodology was fully applied. In addition, in 2021 the methodology was enhanced and retroactively updated 2019 and 2020 scores.
  - <sup>b</sup> Data were collected with a 2-year time lag.
  - <sup>c</sup> Values reported represent annual performance only.
  - <sup>d</sup> Indicator was introduced in 2021, and data are reported starting from 2023. ADB committed to full Paris alignment of its sovereign operations and 85% alignment of its nonsovereign operations by 1 July 2023. In line with this, 100% of both sovereign and nonsovereign projects that ADB approved between 1 July and 31 December 2023 were assessed and confirmed as aligned with the Paris Agreement following the MDB methodological framework for the assessment of operations. Given the mid-year starting time and the time lag between approval and commitment, in terms of percentage of number and volume of operations committed during the full year, this translates to 61% and 68%, respectively.
  - <sup>e</sup> Measuring and reporting of this indicator was discontinued in 2022.
  - <sup>f</sup> In 2021, ADB approved a Knowledge Management Action Plan for 2021–2025 that recommended the development and implementation of an innovation framework. Indicator methodology is currently under development.

Sources: ADB (Central and West Asia Department; Climate Change and Sustainable Development Department; Controller's Department; East Asia Department; Pacific Department; Private Sector Operations Department; Procurement, Portfolio, and Financial Management Department; Sectors Group; South Asia Department; Southeast Asia Department; and Strategy, Policy, and Partnerships Department).

## LEVEL 4: ADB's Organizational Effectiveness

### ADB Operations Overall

Indicator	Period	2018	2019	2020	2021	2022	2023	2024
<b>LEVEL 4A. ORGANIZATIONAL SYSTEMS AND PROCESSES</b>								
1. Capital utilization ratio (%)	Annual	54.6	62.1	69.1	74.0	83.9	70.0	71.5
2. Impaired loan ratio (%) (nonsovereign)	Annual	4.7	4.8	4.2	4.8	4.6	5.4	2.5
3. Weighted average risk rating of the nonsovereign portfolio (nonsovereign)	Annual (B)	9.6 (B)	9.6 (B)	9.7 (B)	9.6 (B)	9.6 (B)	9.6 (B)	9.8 (B)
4. Internal administrative expenses per \$1 million disbursement ('000)	Annual	49.6	49.0	37.8	37.6	36.6	43.8	46.4
5. Internal administrative expenses per project under administration (\$ '000)	Annual	751	794	771	804	798	846	896
6. Internal administrative expenses per project approved (\$ '000)	Annual	4,559	4,877	4,225	4,665	4,858	5,614	5,492
7. Procurement time from advertisement to contract signing, \$10 million or more (days) (sovereign)	Annual	269	265	285	313	304	310	230
8. Consulting services recruitment time for ADB-administered contracts (QCBS only), from consulting services recruitment notice to consultant contract signing (days) (sovereign)	Annual	178	163	185	167	183	203	228
9. Audited financial statements reviewed on time (%) (sovereign)	Annual		55	76	79	84	83	86
10. Representation of women in the international staff category (%)	Annual	36.3	36.7	37.7	37.9	38.7	39.8	40.3
a. Levels 1-3		55.1	55.9	58.3	55.2	53.0	52.1	53.7
b. Levels 4-6		35.4	36.7	36.8	37.3	38.6	39.9	40.0
c. Levels 7-8		26.1	24.1	29.3	30.2	31.9	30.9	30.6
d. Levels 9-10		27.5	29.4	35.6	38.6	36.0	37.7	42.9
11. Clients satisfied with ADB's responsiveness (%)	Every 2 years			63		75		77
12. Stakeholders satisfied with ADB's collaboration with development partners (%)	Every 2 years			63		76		77

### LEVEL 4B. ORGANIZATIONAL CAPACITY

13. Digital products completed (number, cumulative)	Annual		27	77	172	231	261	314
14. Staff training budget (average \$ per staff)	Annual		887	621	506	694	1,435	1,129
15. Departments with documented and tested business continuity plans in place (number)	Annual		7	4	7	7	7	10
16. Budgeted international and national staff positions located in FCAS DMCs and SIDS field offices (number)	Annual	82	84	86	97	96	95	106
17. Operations administered in field offices (%) (sovereign)	Annual		53	57	53	55	59	56
18. Share of operational expenses for operations departments and direct operations support departments (%)	Annual	83.7	83.8	82.9	83.0	83.2	82.5	83.2

ADB = Asian Development Bank, ADF = Asian Development Fund, DMC = developing member country, FCAS = fragile and conflict-affected situations, OCR = ordinary capital resources, QCBS = quality- and cost-based selection, SIDS = small island developing states.

Notes:

1. "ADB Operations Overall" are ADB operations financed by regular and concessional OCR and/or ADF grants.
2. Gray shading in cells indicates the column heading does not apply.

Sources: ADB (Budget, People, and Management Systems Department; Corporate Services Department; Department of Communications and Knowledge Management; Information Technology Department; Office of Business Intelligence and Operations Coordination; Office of Risk Management; Procurement, Portfolio, and Financial Management Department).

## LEVEL 4: ADB's Organizational Effectiveness

### Operations Financed by Concessional OCR Loans and ADF Grants

Indicator	Period	2018	2019	2020	2021	2022	2023	2024
<b>LEVEL 4A. ORGANIZATIONAL SYSTEMS AND PROCESSES</b>								
1. Capital utilization ratio (%) (sovereign and nonsovereign)								
2. Impaired loan ratio (%) (nonsovereign)								
3. Weighted average risk rating of the nonsovereign portfolio (nonsovereign)								
4. Internal administrative expenses per \$1 million disbursement ('000)								
5. Internal administrative expenses per project under administration (\$ '000)								
6. Internal administrative expenses per project approved (\$ '000)								
7. Procurement time from advertisement to contract signing, \$10 million or more (days) (sovereign)	Annual	378	322	332	377	328	276	202
8. Consulting services recruitment time for ADB-administered contracts (QCBS only), from consulting services recruitment notice to consultant contract signing (days) (sovereign)								
9. Audited financial statements reviewed on time (%) (sovereign)	Annual		55	76	83	90	84	86
10. Representation of women in the international staff category (%)								
a. Levels 1–3								
b. Levels 4–6								
c. Levels 7–8								
d. Levels 9–10								
11. Clients satisfied with ADB's responsiveness (%)								
12. Stakeholders satisfied with ADB's collaboration with development partners (%)								

### LEVEL 4B. ORGANIZATIONAL CAPACITY

13. Digital products completed (number, cumulative)								
14. Staff training budget (average \$ per staff)								
15. Departments with documented and tested business continuity plans in place (number)								
16. Budgeted international and national staff positions located in FCAS DMCs and SIDS field offices (number)								
17. Operations administered in field offices (%) (sovereign)	Annual		55	47	53	50	51	51
18. Share of operational expenses for operations departments and direct operations support departments (%)								

ADB = Asian Development Bank, ADF = Asian Development Fund, DMC = developing member country, FCAS = fragile and conflict-affected situations, OCR = ordinary capital resources, QCBS = quality- and cost-based selection, SIDS = small island developing states.

Notes:

1. Concessional assistance is the subset of ADB's overall operations financed by concessional OCR loans and/or ADF grants.
2. Gray shading in cells indicates the column heading does not apply.

Sources: ADB (Office of Business Intelligence and Operations Coordination; Procurement, Portfolio, and Financial Management Department).

## ENDNOTES

1 Fewer than half the 10 regional progress indicators in the corporate results framework have data from 2023 and 2024. The DEFR has therefore used supplementary sources to build a fuller picture of development progress in Asia and the Pacific.

2 The prosperity gap, the World Bank's new measure of shared prosperity, is defined as the average factor by which incomes need to be multiplied to bring everyone in society to the prosperity standard of \$25 per day in 2017 purchasing power parity.

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7 ADB. 2023. *Accelerating Digital Inclusion for Women and Girls in Asia and the Pacific*.

8 International Labour Organization (ILO). 2024. *World Social Protection Report 2024-26*.

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37 The World Governance Index shows units of a standard normal distribution, with a mean of 0 and standard deviation of 1, running from approximately -2.5 to 2.5. Higher values correspond to better governance. Source: World Bank. 2023. *Worldwide Governance Indicators*.

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**53** ADB. 2024. *Report and Recommendation of the President to the Board of Directors: Proposed Grant and Administration of Grant to the Republic of Vanuatu for the Supporting the Delivery of Skills Development Project.*

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**58** ADB. 2023. *Report and Recommendation of the President to the Board of Directors: Proposed Loans to India for the Maharashtra Tertiary Care and Medical Education Sector Development Program.*

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**61** ADB. 2023. *Report and Recommendation of the President to the Board of Directors: Proposed Loan and Administration of Technical Assistance Grant to India for the Early Childhood Development in Meghalaya Project.*

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**63** ADB. 2024. *Report and Recommendation of the President to the Board of Directors: Proposed Loan to the Kingdom of Cambodia for the Secondary Education for Human Capital Competitiveness Project.*

**64** ADB. 2024. *Report and Recommendation of the President to the Board of Directors: Proposed Loan to India for the Supporting Human Capital Development in Meghalaya (Phase 2) Project.*

**65** ADB. 2024. *Report and Recommendation of the President to the Board of Directors: Proposed Grant and Administration of Grant to the Republic of Vanuatu for the Supporting the Delivery of Skills Development Project.*

**66** ADB. 2024. *Report and Recommendation of the President to the Board of Directors: Proposed Programmatic Approach and Policy-Based Loan for Subprogram 1 and Technical Assistance Grant to the People's Republic of Bangladesh for the Second Strengthening Social Resilience Program.*

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**68** ADB. 2024. *Report and Recommendation of the President to the Board of Directors: Proposed Loan, Grant, and Administration of Grant to the Lao People's Democratic Republic for the Building Resilience and Reducing Rural Poverty Project.*

**69** ADB. 2022. *ADB Plans \$14 Billion to Ease Food Crisis, Promote Long-Term Food Security in Asia and the Pacific.* News release. 27 September.

**70** ADF 13 implementation plan targets for fragile and conflict-affected situations and small island developing states are based on country allocations.

**71** Excluding operations in Afghanistan, where dedicated support for climate action is not feasible, the share of ADF 13 climate finance was 41% by the end of 2024, above the ADF 13 target. ADB placed its regular assistance to Afghanistan on hold effective 15 August 2021. It remains committed to support the Afghan people.

**72** A design-ready infrastructure project will have completed the following before project approval: (i) detailed engineering design or equivalent design suitable for preparing and launching bidding documents for a major construction or goods contract (for sector projects, detailed engineering designs should be available for those subprojects for which construction is scheduled to start in the first 2 years); and/or (ii) preliminary design and specifications suitable for preparing and launching bidding documents for (a) construction contracts that include detailed design, and/or (b) turnkey or engineering, procurement, and construction contracts.

**73** The procurement readiness percentage is the number of infrastructure projects for which bidding documents for procuring major works or goods contracts were launched before project approval over the number of approved infrastructure projects in the same year. Bidding documents are considered launched when their availability is announced and advertised.

**74** Other South Asian countries are also currently developing new project readiness criteria or revising or revisiting their existing criteria.

**75** ADB. 2025. *2024 Annual Portfolio Performance Review (draft).*

**76** This number excludes three COVID-19 pandemic response option operations that the Independent Evaluation Department validated but did not include in its calculation of the sector success rate.

**77** Infrastructure sectors are agriculture, natural resources, and rural development; energy; information and communication technology; transport; and water and other urban infrastructure and services.

**78** Non-infrastructure sectors are education, health, finance, industry and trade, and public sector management.

**79** This excludes the information and communication technology sector, which completed only one project in reporting period 2022–2024.

**80** ADB. 2025. *2025 Annual Evaluation Review (draft).*

**81** This analysis excludes 20 CPROs that were validated by the Independent Evaluation Department but not included in its calculation of the sector success rate.

**82** ADB. 2025. *2025 Annual Evaluation Review (draft).*

**83** Gender lens investment is in entities with at least 51% female ownership, 30% women in leadership or on the board, and 30%–50% women in the workforce, depending on the sector, and that provide products or services that specifically or disproportionately benefit women.

**84** The 227 active operations include all projects after 1 January 2012, including those that were newly committed in 2024, and for which the extended annual review report or the project performance evaluation report has not yet been circulated to the Board as of 31 December 2024.

**85** These data are based on the 29 projects that achieved first disbursement in 2024 but were approved prior to 2024. Most of them were concept-cleared before the 2023 business reform, with some being approved even before the implementation of the new operating model.

**86** These included simplifying transaction processing documentation; streamlining investment committee structure based on risk level and approval authority to improve efficiency by empowering lower levels of management to make decisions; developing credit scoring tools detailing ADB's overall risk appetite for proposed private sector transactions in specific sectors; and improved collaboration with sovereign teams, and with sector alignment and pilot programs, to enhance resourcing and support client development goals.

**87** ADB. 2023. *Report and Recommendation of the President to the Board of Directors: Proposed Senior Unsecured Loan to Ngern Tid Lor Public Company Limited for Ngern Tid Lor Access to Finance for Rural Women and Agribusiness Micro, Small, and Medium-Sized Enterprises Project.*

**88** For this project, “an MSME owned by women” has a woman (or women) (i) as owner of the enterprise; (ii) as the primary, sole, or co-borrower; and/or (iii) as owner of the title of the asset pledged. Agribusiness MSMEs are those in rural areas and pledging farm-related equipment such as tractors and trucks as security. Borrowers in rural Thailand are those living in provinces outside of Bangkok.

**89** ADB. 2024. *2025 Annual Evaluation Review* (draft).

**90** The overall rating of an NSO project is derived from the underlying ratings applied to its four dimensions: (i) development results, (ii) ADB investment profitability, (iii) ADB work quality, and (iv) ADB additionality. Development results are evaluated according to (i) contribution to private sector development and other ADB strategic development objectives; (ii) business success; (iii) contribution to economic development and sustainability; and (iv) environment, social, health, and safety performance. Additionality is evaluated according to (i) the extent to which ADB finance was a necessary condition for the timely realization of the project, through direct mobilization of funds and/or indirectly by improving the risk perception of other financiers, and (ii) ADB's contribution to the design of the project to improve the allocation of risk and responsibilities, and to enhance development impact. ADB's investment profitability is evaluated by comparing the net profit contribution of the project (gross income less financing costs, loss provisions and write-offs, and transaction and administrative costs) with the minimum targeted risk-adjusted returns on capital employed for guarantees, loans, and equity investments. Work quality assessment looks at (i) the screening, appraisal, and structuring of the operation, and (ii) monitoring and supervision.

**91** ADB. 2024. *Steering ADB's Corporate Strategy to Success: Corporate Results Framework 2025-2030*.

**92** ADB (Budget, People, and Management Systems Department). 2023. Gender Equality Working Group Report: Gender Action Plan. Memorandum. 1 December (internal).

**93** Procurement processing time is the period from ADB's receipt of a bid evaluation report to its approval in the procurement review system.

**94** ADB, Inter-American Development Bank, New Development Bank, and Islamic Development Bank. *Sustainable Procurement Resource Hub*.

**95** ADB placed its regular assistance to Afghanistan on hold effective 15 August 2021. It remains committed to support the Afghan people.

**96** ADB. 2025. *Capital Utilization Plan*.

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**100** P. Glewwe et al. 2024. *Education Without Formal Schooling through Tablets and Tutors: Evidence from Out-of-School Children in Bangladesh during the COVID-19 Pandemic*. ADB Economics Working Paper Series. No. 718. Asian Development Bank.



## 2024 Development Effectiveness Review

The 2024 *Development Effectiveness Review* is the 18th in a series of yearly reports by the Asian Development Bank (ADB) on its performance in achieving the goals of Strategy 2030, the institution's long-term strategic framework. It tracks recent development progress in Asia and the Pacific, assesses ADB's development effectiveness, and identifies areas where ADB's performance needs to be strengthened.

### About the Asian Development Bank

ADB is a leading multilateral development bank supporting sustainable, inclusive, and resilient growth across Asia and the Pacific. Working with its members and partners to solve complex challenges together, ADB harnesses innovative financial tools and strategic partnerships to transform lives, build quality infrastructure, and safeguard our planet. Founded in 1966, ADB is owned by 69 members—49 from the region.



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