



# Presentation

## ADB OPERATIONS IN SOUTH ASIA

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# SOUTH ASIA: Growing Region

Growth Rate (%)	2018	2019	2020
		(forecast)	(forecast)
<b>Developing Asia</b>	5.9	5.7	5.6
<b>excluding NIEs</b>	6.4	6.0	6.0
People's Republic of China	6.6	6.2	6.0
Indonesia	5.2	5.1	5.2
Philippines	6.2	6.0	6.2
Thailand	4.1	3.0	3.2
Pakistan	5.5	3.3	2.8
Uzbekistan	5.1	5.8	6.0

## South Asia

India	6.8	6.5	7.2
Bangladesh	7.9	8.1	8.0
Nepal	6.7	7.1	6.3
Sri Lanka	3.2	2.6	3.5



# SOUTH ASIA: Opportunities & Issues

- Water and food security are pressing issues - by 2050 in Asia, 100% more food must be produced with 30% less water.
- Pockets of poverty exists despite growth.
- Large client demand for rural infrastructure (irrigation and rural roads).
- Clients' appetite for new technologies and climate resistance in design.
- Growing private sector but Inadequate public funds for operation and maintenance.



# OUR RESPONSE: Focus on 3 Subsectors

## WATER

Our Core Subsector



Suzanne Marsh



Marie L'Hostis



Arnaud Cauchois



Lance Gore



Olivier Drieu

## RURAL ROADS

Rapidly  
growing



Sanath Ranawana



Masa Nishimura

## AGRI- BUSINESS

New, but high  
demand



Sunae Kim



Navendu Karan\*

\* Belongs to finance div.

## DUE DILLIGENCE

Safeguards,  
Climate Change &  
Gender



Rebekah Ramsay



Brando Angeles

## Resident Missions



Zahir  
Ahmad  
(BAN)



Rajesh  
Yadav  
(IND)



Krishan  
Rautela  
(IND)



Raghav  
Naduvinamani  
(IND)



Arun  
Rana  
(NEP)



Kamal  
Dahayanake  
(SRI)



# IRRIGATION: Issues and Opportunities

- **Open canals and drainage.**
  - Not efficient water use.
  - More crop per drop needed.
- **Small contracts with land acquisition.**
  - Project implementation delays.
- **Insufficient funds for O&M.**
  - Farmers did not pay for water. Sustainability always questioned.



# IRRIGATION: Our Response

## IND: Madhya Pradesh Irrigation Efficiency Improvement Project (\$375 million loan in May 2018)

- **Introduction of Pressurized Irrigation System**

→ Increased irrigated area from 58,000 ha to 125,000 ha with the same amount of water and with better irrigation service delivery.



- **Introduction of Design-Build-Operate contracts**

→ Appointed 2 contractors to design, operate and maintain the system for 5 years. Water user fee will be collected.



# AGRIBUSINESS: Issues and Opportunities

- **Many trials and errors**
  - Pilots were implemented, but government did not have confidence to scale up due to failures.
- **ADB new in the 'agribusiness'**
  - Needed concrete examples to demonstrate ADB's approach.
- **Technologies available & private sector entry to agriculture.**
  - New thoughts are brought into the 'agribusiness'. But Farmers still rely on traditional ways to sell their products and did not benefit from economic growth.



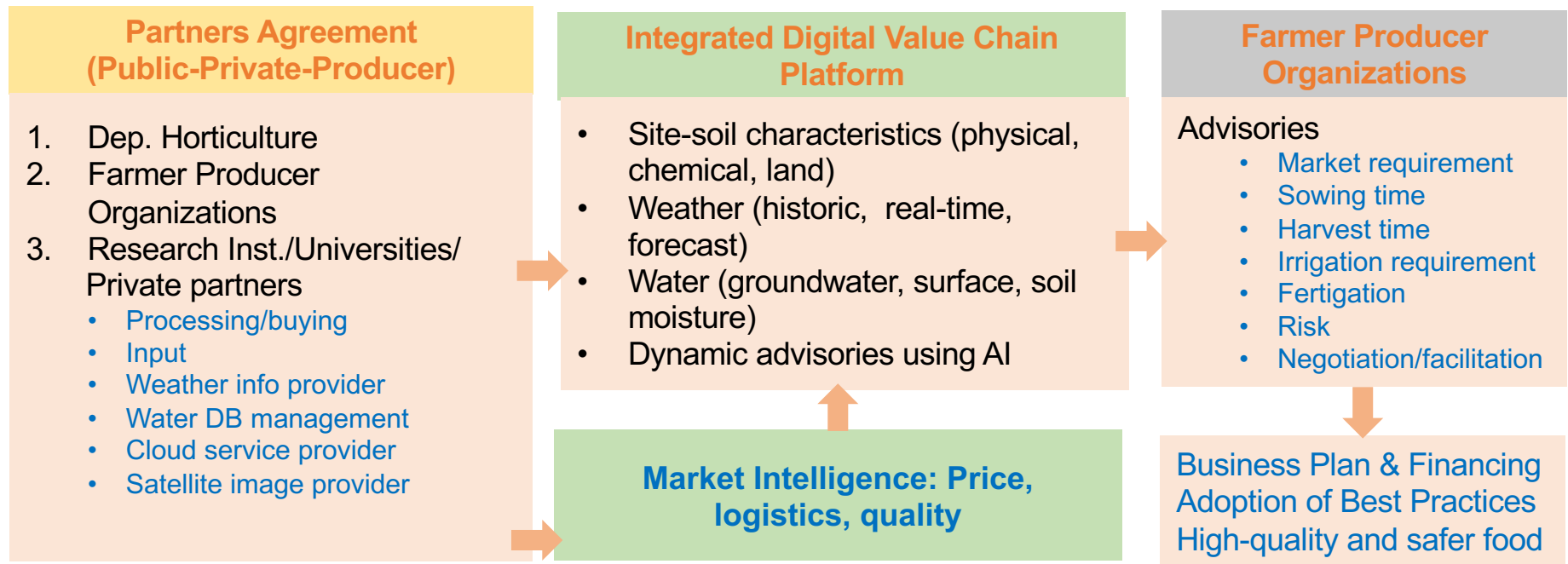


# AGRIBUSINESS: Our Response

## IND: AgTech Application in Agriculture in Andhra Pradesh

(\$2.5 million, 2020)

- Successfully demonstrate 'doubling farmers income' through improving market information to farmers.
- AP was chosen, high growth rate of horticulture (17%), ranked 1<sup>st</sup> for the ease of doing business index (2017), leading state for the AgTech driven innovations.



**Farmer mobilizer/facilitator** organize farmers, collect information on farmers and provide advisories and build capacity of farmers.