

Innovative Project Story

East Countries: Challenges and Approaches in ANR Sector Operation

Day 2 Group session

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How to effectively engage ADB to accomplish key development goals in ANR sector?

1. Principle for meaningful engagement

Fundamental or complex issues that require a long-term support

2. Challenges and Recommended Approaches

Challenge 1: Ministerial-boundaries and national-boundaries

- Tackle an issue that has a great impact on the national development
- Engage an oversight agency
- Lower ministerial-boundary for larger goods
- Set up an effective coordination mechanism
- Engage and keep right personnel with authority and interpersonal capacity



How to effectively engage ADB to accomplish key development goals of your country?

Challenge 3: Private sector engagement: what is possible?

- DMCs are all in transition from agrarian economy to industrial/urban economy, private sector engagement plays a key role in successful transition.
- Keep in mind “Agricultural population declines as your economy grows”
 - listen to private sector and keep up the pace (partnership with private sector to work with farmers)
 - invest in key elements for enabling business environment (change in government roles)
 - help in uncommon public goods (e.g., branding, research and development for innovation)
 - strategic financing in areas where financial sector neglects and development impact is large (e.g., long-term productivity improvement)

Challenge 2: Large number of small subprojects and beneficiaries and wide coverage: how to approve and monitor?

- Strike a balance between practicality and scrutiny
 - consolidate subprojects to make the number of subprojects smaller
 - set up clear guidelines for subproject eligibility to minimize ambiguity and room for interpretations
 - agree on ADB review/approval process at an early stage of implementation
 - encourage to appreciate ADB’s value addition in technical design and safeguards compliance
 - invest in monitoring (human resources and ICT) for greater impacts and safeguard compliance



MON: Assistance in Livestock Value Chain Development

Background: Excessive reliance on mining sector

Government request: Help diversify the economy by supporting livestock-based manufacturing (cashmere, wool, dairy and meat)

ADB's assistance:

- \$64.6 million investment projects and \$5 million technical assistance (2009 – 2022)
- Cooperation between the Ministry of Finance and the Ministry of Food, Agriculture and Light Industry
- Promotion of value chain development approach
- Financing, business advisory, technical and safeguards support for the manufacturing sector
- Support to herding sector (additional poverty reduction grants and emergency grants)
- Support for enabling environment (testing laboratories, research and development, business association support)
- National brand development for natural fiber and brand marketing



PRC: Assistance in Sustainable Development of Yangtze River Economic Belt

Background: Rapid economic growth accompanied by imminent environmental problems

Government request: Help strategic planning of investments in areas where 40% of the national economy concentrates – transform the economic growth model along the Yangtze River

ADB's assistance:

- \$2 billion planned from 2018 to 2025
- Advisory to the planning agency to prioritize investments (analysis and guideline development)
- Consultations with concerned provincial governments
- Programmatic and multi-sectoral approach in investment planning
- Selection of appropriate financing modalities suitable for different contexts and needs
- Combination of sovereign and non-sovereign financing

