



Strategy Paper

November 2017

The Asian Development Bank's Transitional Results Framework, 2017–2020

Distribution of this document is restricted until it has been approved by the Board of Directors. Following such approval, ADB will disclose the document to the public in accordance with ADB's Public Communications Policy 2011.

Asian Development Bank

ABBREVIATIONS

ADB	–	Asian Development Bank
ADF	–	Asian Development Fund
DEfR	–	Development Effectiveness Review
DMC	–	developing member country
IAE	–	internal administrative expenses
MDG	–	Millennium Development Goal
OCR	–	ordinary capital resources
PPP	–	public–private partnership
SDG	–	Sustainable Development Goal
SEDI	–	standard explanatory data indicator

NOTE

In this report, "\$" refers to United States dollars.

Director General	T. Kimura, Strategy, Policy and Review Department (SPD)
Director	B. Woods, Results Management and Aid Effectiveness Division, SPD
Team leader	J. Asanova, Principal Results Management Specialist, SPD
Team members	A. Andrysiak, Senior Results Management Specialist, SPD
	C. Caranto, Results Management Analyst, SPD
	A. Cortez, Associate Results Management Officer, SPD
	M. Dimaano, Results Management Assistant, SPD
	V. Francisco, Results Management Officer, SPD
	N. Lu, Senior Results Management Officer, SPD
	S. Nakhoda, Senior Results Management Specialist, SPD
	A. Sunico-Bautista, Results Management Assistant, SPD

In preparing any country program or strategy, financing any project, or by making any designation of or reference to a particular territory or geographic area in this document, the Asian Development Bank does not intend to make any judgments as to the legal or other status of any territory or area.

CONTENTS

	Page
EXECUTIVE SUMMARY	i
I. PURPOSE, SCOPE, AND CONSULTATIONS	1
II. THE 2013–2016 RESULTS FRAMEWORK	1
III. OBJECTIVES AND SCOPE OF THE EXTENSION	2
IV. GUIDING PRINCIPLES FOR EXTENDING THE 2013–2016 RESULTS FRAMEWORK	2
V. TRANSITIONAL RESULTS FRAMEWORK INDICATORS	3
VI. TRANSITIONAL RESULTS FRAMEWORK TARGETS	5
A. Time Frame and Baselines	5
B. Targets	5
VII. SUMMARY OF CHANGES	10
VIII. REPORTING OF CONCESSIONAL ORDINARY CAPITAL RESOURCES LENDING AND ASIAN DEVELOPMENT FUND GRANT RESULTS	10
IX. TIME FRAME FOR REVIEWING THE RESULTS FRAMEWORK	11
X. USE OF THE TRANSITIONAL RESULTS FRAMEWORK	11
XI. RECOMMENDATION	11
APPENDIXES	
1. ADB Results Framework, 2013–2016 (Updated in 2014)	12
2. Transitional Results Framework, 2017–2020: Changes, Rationale, and Sources of Data and Targets	17
3. List of Linked Documents	40

EXECUTIVE SUMMARY

This paper proposes an extension of the 2013–2016 results framework of the Asian Development Bank (ADB). In 2008, ADB introduced a corporate results framework to monitor and strengthen its performance in achieving the priorities of Strategy 2020 during 2008–2012. Building on the successful implementation of the 2008–2012 results framework, ADB approved a revised framework for 2013–2016 in January 2013, and another update in December 2014 in line with the midterm review of Strategy 2020. The corporate results framework is the basis of the annual Development Effectiveness Review (DEfR), which monitors and reports on ADB's performance in achieving the priorities of Strategy 2020 and its midterm review. The DEfR also facilitates learning and improvements in performance.

This extension will introduce a transitional results framework for 2017–2020 by revising or retaining the corporate targets that expired in 2016. ADB has started to prepare a new long-term strategy—Strategy 2030—to ensure that the bank remains relevant and effective in meeting the needs of its developing member countries (DMCs). In 2018, ADB will initiate a comprehensive review to align its corporate results framework with Strategy 2030. When ADB adopts Strategy 2030, the Strategy 2030-aligned results framework will supersede this transitional results framework.

The transitional results framework will continue to use results framework indicators to track performance in areas that have specific quantitative baselines and targets for achievement annually and/or by 2020. Standard explanatory data indicators supplement the results framework and will be applied to performance areas that do not have targets but need to be monitored. This continues the approach of the 2013–2016 results framework.

Aligning with global developments. Two significant developments—the adoption of the Sustainable Development Goals (SDGs) in September 2015 and the Paris Climate Agreement in December 2015—are relevant to the transitional results framework. Level 1 indicators that monitored progress toward the Millennium Development Goals will be updated in line with the SDGs. In addition, selected indicators at Levels 2 and 3 in this transitional results framework are mapped to the relevant SDGs.

Updating baselines and targets. ADB's Strategy 2020 and its midterm review identified corporate targets up to 2020, and most remain relevant. For instance, the midterm review targets for expanding education operations to 6%–10% and health operations to 3%–5% of total financing will be applied (Level 3). The transitional results framework uses targets set in the President's Planning Directions based on the Work Program and Budget Framework, 2017–2019, and in sector operational plans, where appropriate. Sector and thematic groups, and relevant departments and offices were consulted on the 2020 targets for the remaining indicators. The 80% target for completed sovereign and nonsovereign operations rated *satisfactory*, and the 85% annual target for core operational results (Level 2), established in the 2013–2016 results framework, will also be retained.

Shifting reporting to commitments. In 2016, ADB introduced measurement of corporate performance based on commitments rather than approvals, effective 1 January 2017. Management instructed staff to amend policies, procedures, and business processes so that resource allocation, planning, and monitoring are made based on commitments starting 1 January 2018, with 2017 serving as a transition year. Reflecting this change, the baselines and targets of selected Level 3 indicators in the transitional results framework have been recalculated using commitment data. The transitional results framework uses baseline values based on the most

recently available data at the time this paper was prepared. The baselines will be revised where appropriate using data available in early 2018, and the updated baselines will be presented in the 2017 DEfR.

Reporting of concessional ordinary capital resources lending and Asian Development Fund grant results. Since 2008, the Asian Development Fund (ADF) results framework was a subset of the ADB corporate results framework, sharing most indicators but applying ADF-specific baselines and targets. In the 2013–2016 results framework, ADB assessed and reported on (i) the progress ADF-recipient countries made on Level 1 indicators, and (ii) the development effectiveness of operations financed by concessional assistance using indicators at Levels 2–4 of the results framework. Given that ADF lending operations were combined with the ordinary capital resources (OCR) balance sheet in January 2017, the reporting of the results of concessional OCR loans and ADF grants in the transitional results framework had to be reassessed. Based on consultations, the transitional results framework will report the progress of concessional assistance countries (those with access to regular OCR loans, concessional OCR loans, and ADF grants) at Level 1 of the results framework and the results of the operations funded by concessional OCR loans and ADF grants under Levels 2–4. This will provide general comparability and continuity with how ADF results have been reported on.

Improving the framework’s relevance. The 2013–2016 results framework had 91 indicators, in addition to the standard explanatory data indicators. Selected indicators for which data are collected infrequently and those which are no longer useful for performance management will be removed. This will result in a streamlined transitional results framework with 85 indicators, which will sharpen the focus on ADB’s strategic priorities and improve the cost-effectiveness of results management.

TRANSITIONAL RESULTS FRAMEWORK, 2017–2020: BASELINES AND TARGETS

Table A: Development Progress in Asia and the Pacific (Level 1)

Indicator	Baseline Year	Baseline		SDG Alignment ^c
		ADB DMCs Overall ^a	ADB Concessional Assistance Countries ^b	
Poverty (income and non-income)				
1. Proportion of the population below the international poverty line (%) ^d	2013	9.0	8.9	
2. Annual growth rate of real GDP per capita (%) ^d	2015	5.7	4.0	
3. Growth rates of household expenditure or income per capita (%) ^e				
– Bottom 40%	2000–2012	5.1	4.4	
– Total population	2000–2012	5.5	4.1	
4. Wage and salaried workers in total employment (%) ^f	2013	31.2	37.1	
– Female	2013	30.9	34.2	
– Male	2013	31.3	38.6	
5. Prevalence of stunting among children under 5 years of age (%) ^e	2006–2014	29.8	36.5	
6. Under-5 mortality rate (deaths per 1,000 live births) ^d	2015	36.0	54.7	
– Female	2015	35.2	51.1	
– Male	2015	36.7	58.0	
Gender parity index in education ^d				
7. – Secondary	2015	1.0	1.0	
8. – Tertiary	2015	1.0	1.0	
9. Gross lower secondary education graduation rate (%) ^f	2014	87.3	62.0	
– Female	2014	88.5	62.3	
– Male	2014	86.4	62.4	
10. Maternal deaths per 100,000 live births (number) ^d	2015	126.0	169.7	
Other Development Outcomes				
11. Paved roads (kilometers per 10,000 people) ^f	2014	19.3	8.5	
12. Proportion of population with access to electricity (%) ^d	2016	87.2	70.7	
13. Proportion of adults (15 years and older) with an account at a bank or other financial institution or with a mobile money service provider (%) ^e	2014	57.7	24.3	

Indicator	Baseline Year	Baseline		SDG Alignment ^c
		ADB DMCs Overall ^a	ADB Concessional Assistance Countries ^b	
Proportion of population using safely managed drinking water services (%) ^d				
14. – Rural	2015	90.4	84.6	
15. – Urban	2015	96.4	92.2	
Proportion of population using safely managed sanitation services, including handwashing facility with soap and water (%) ^d				
16. – Rural	2015	49.3	60.5	
17. – Urban	2015	78.3	78.0	
18. Governance and public sector management assessment (index) ^f	2016		3.5	
19. Time to start business (days) ^f	2016	20.8	21.5	
20. Intraregional trade in total Asia and Pacific trade (%) ^f	2015	51.4	63.7	
21. Forest area as a proportion of total land area (%) ^d	2015	23.2	23.0	
22. CO ₂ emission per unit of value added (kg per PPP \$ of GDP) ^e	2011	0.51	0.25	

ADB = Asian Development Bank, ADF = Asian Development Fund, CO₂ = carbon dioxide, DMC = developing member country, GDP = gross domestic product, kg = kilogram, OCR = ordinary capital resources, PPP = purchasing power parity, SDG = Sustainable Development Goal.

Note: Shading in cells indicates the column head does not apply.

^a ADB DMCs and their classifications are based on ADB. 2013. Classification and Graduation of Developing Member Countries. *Operations Manual*. OM A1/BP. Manila.

^b The new terminology resulting from the combination of ADF lending operations with the OCR balance sheet is applied: “ADB Concessional Assistance Countries” refers to DMCs with access to regular OCR loans, concessional OCR loans, and ADF grants.

^c ADB’s indicators may be aligned to more than one SDG. Precise SDG alignment and mapping will be undertaken during the development of the Strategy 2030-aligned results framework and reflected in ADB’s project classification system accordingly.

^d Renamed to align with the SDGs. The “international poverty line” is currently set at \$1.90 a day at 2011 international prices.

^e Replaced to align with the SDG.

^f These indicators are not part of the officially agreed list of SDG indicators, although they are related to the SDG highlighted in the table.

Source: ADB Strategy, Policy and Review Department (using data from the United Nations Economic and Social Commission for Asia and the Pacific, Statistics Division).

Table B.1: ADB's Contributions to Development Results (Level 2)

Indicator	Baseline Year ^a	ADB Operations Overall ^b		Operations Financed by Concessional OCR Loans and ADF Grants ^b		SDG Alignment ^c
		Baseline Value	Target 2020	Baseline Value	Target 2020	
Quality at Completion (country assistance programs successfully completed)						
1. Completed country strategies and assistance programs rated <i>successful</i> (%)	RY2014–2016	71	80	67	80	
2. Completed sovereign operations rated <i>successful</i> (%):						
2. Projects	RY2014–2016	78	80	78	80	
3. Policy-based operations	RY2014–2016	76	80	80	80	
4. Completed sovereign operations rated <i>likely sustainable</i> (%)	RY2014–2016	68	80	62	80	
5. Completed nonsovereign operations rated <i>successful</i> (%)	RY2014–2016	69	80			
6. Completed technical assistance projects rated <i>successful</i> (%)	RY2014–2016	87	80	87	80	
7. Completed sovereign operations delivering intended gender equality results (%)	RY2014–2016	74	70	76	70	

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

Note: Shading in cells indicates the column head does not apply.

^a The reporting year will cover the period from 1 July to 30 June and will be based on the circulation year of documents reviewed. Baseline values will cover 3-year periods, i.e., RY2014–2016 will refer to 1 July 2013–30 June 2016.

^b The new terminology resulting from the combination of ADF lending operations with the OCR balance sheet will be applied: “ADB Operations Overall” refers to operations financed by regular OCR loans, concessional OCR loans, and ADF grants; “Operations Financed by Concessional OCR Loans and ADF Grants” is a subset of ADB Operations Overall that is financed by concessional OCR loans and ADF grants.

^c ADB's indicators may be aligned to more than one SDG. Precise SDG alignment and mapping will be undertaken during the development of the Strategy 2030-aligned results framework and reflected in ADB's project classification system accordingly.

Source: ADB Strategy, Policy and Review Department.

Table B.2: ADB's Contributions to Development Results (Level 2)

Indicator	ADB Operations Overall ^a			Operations Financed by Concessional OCR Loans and ADF Grants ^a					SDG Alignment ^b
	No. of PCRs/XARRs	2016 Results Achieved ^c	Achievement Rate ^d (%) (Satisfactory 85% or above)	No. of PCRs/XARRs	2016 Results Achieved ^c	Achievement Rate ^d (%) (Satisfactory 85% or above)			
Core Operational Results (results in Strategy 2020 core operational areas achieved)									
Infrastructure									
Energy	13			4					
8. Greenhouse gas emission reduction (tCO ₂ -equiv/year)	7	1,954,000	100+ ^e	1	59,000	100	🌳	■	
9. New households connected to electricity (number)	3	490,000	100+ ^e	3	100,000	76		□	
10. Installed energy generation capacity (megawatts)	6	990	100+ ^e	2	550	100		◇	
– Renewable	5	330		1	140		🌳		
11. Transmission lines installed or upgraded (kilometers)	5	1,300	100+ ^e	4	370	100+ ^e		◇	
12. Distribution lines installed or upgraded (kilometers)	4	12,000	72	2	230	90		◇	
Transport	18			9					
13. Use of roads built or upgraded (average daily vehicle-kilometers in the first full year of operation)	11	51,613,000	88	5	6,396,000	93		■	
14. Use of railways built or upgraded (average daily ton-kilometers in the first full year of operation)	1	12,000,000	100+ ^e	0			🌳	■	

Indicator	ADB Operations Overall ^a			Operations Financed by Concessional OCR Loans and ADF Grants ^a			SDG Alignment ^b	
	No. of PCR/XARRs	2016 Results Achieved ^c	Achievement Rate ^d (%) (Satisfactory 85% or above)	No. of PCR/XARRs	2016 Results Achieved ^c	Achievement Rate ^d (%) (Satisfactory 85% or above)		
15. Roads built or upgraded (kilometers)	17	6,400	100	9	1,800	95	◇	
16. Railways constructed or upgraded (kilometers)	1	260	100+ ^e	0			◇	
17. Urban rail- and bus-based mass transit systems built or upgraded (kilometers)	0			0			◇	
Water	14			9				
18. Households with new or improved water supply (number)	9	1,886,000	100+ ^e	5	278,000	84	□	
19. Households with new or improved sanitation (number)	6	256,000	66	3	22,000	73	□	
20. Wastewater treatment capacity added or improved (cubic meters per day)	4	100,000	74	2	2,300	87	◇	
21. Water supply pipes installed or upgraded (length of network in kilometers)	7	5,600	100+ ^e	4	2,500	100+ ^e	◇	
22. Land improved through irrigation, drainage, and/or flood management (hectares)	7	2,417,000	100+ ^e	5	267,000	100+ ^e	◇	
Finance	6			4				
23. Trade finance supported (\$ million per year) ^f		3,100	100+ ^e				■	

Indicator	ADB Operations Overall ^a			Operations Financed by Concessional OCR Loans and ADF Grants ^a				SDG Alignment ^b
	No. of PCRs/ XARRs	2016 Results Achieved ^c	Achievement Rate ^d (%) (Satisfactory 85% or above)	No. of PCRs/ XARRs	2016 Results Achieved ^c	Achievement Rate ^d (%) (Satisfactory 85% or above)		
24. Microfinance loan accounts opened or end borrowers reached (number) – Female – Male	5	2,009,000 1,516,000 494,000	100+ ^e	4	2,008,000 1,515,000 493,000	100+ ^e	□	
25. Small and medium-sized enterprise loan accounts opened or end borrowers reached (number)	2	15,000	100+ ^e	0			□	
Education	7			7				
26. Students benefiting from new or improved educational facilities (number) – Female – Male	6	930,000 442,000 488,000	65	6	930,000 442,000 488,000	65	□	
27. Students educated and trained under improved quality assurance systems (number) – Female – Male	5	3,464,000 1,678,000 1,786,000	53	5	3,464,000 1,678,000 1,786,000	53	□	
28. Teachers trained with quality or competency standards (number) – Female – Male	7	278,000 149,000 129,000	89	7	278,000 149,000 129,000	89	◇	
Environment Indicators: 8, 10 (renewable), 14, 16, 17, 19, and 20								

Indicator	ADB Operations Overall ^a			Operations Financed by Concessional OCR Loans and ADF Grants ^a			SDG Alignment ^b
	No. of PCR/XARRs	2016 Results Achieved ^c	Achievement Rate ^d (%) (Satisfactory 85% or above)	No. of PCR/XARRs	2016 Results Achieved ^c	Achievement Rate ^d (%) (Satisfactory 85% or above)	
Regional Cooperation and Integration	3			3			
29. Cross-border transmission of electricity (gigawatt-hours per year)	1	3,500	100+ ^e	1	3,500	100+ ^e	■ 
30. Cross-border cargo volume facilitated (tons per year)	2	1,254,000	100+ ^e	2	1,254,000	100+ ^e	■ 

ADB = Asian Development Bank, ADF = Asian Development Fund, No. = number, OCR = ordinary capital resources, PCR = project or program completion report, SDG = Sustainable Development Goal, tCO₂ equiv/year = tons of carbon dioxide equivalent per year, XARR = extended annual review report.

Legend:  Environment indicator ■ Outcome □ Outcome proxy ◇ Output

Notes:

- "Results Achieved" will be rounded to the nearest 1,000. Values smaller than 10,000 will be rounded to the nearest 100. Values smaller than 1,000 will be rounded to nearest 10. Values smaller than 99 will not be rounded.
 - Shading in cells indicates the column head does not apply.
- ^a The new terminology resulting from the combination of ADF lending operations with the OCR balance sheet will be applied: "ADB Operations Overall" refers to operations financed by regular OCR loans, concessional OCR loans, and ADF grants; "Operations Financed by Concessional OCR Loans and ADF Grants" is a subset of ADB Operations Overall that is financed by concessional OCR loans and ADF grants.
- ^b ADB's indicators may be aligned to more than one SDG. Precise SDG alignment and mapping will be undertaken during the development of the Strategy 2030-aligned results framework and reflected in ADB's project classification system accordingly.
- ^c Data under "Results Achieved" are an aggregate of outputs and outcomes of ADB-supported operations reported in PCRs and XARRs circulated from 1 January to 31 December of the relevant year. Results include financing from ADB, cofinanciers, and the government.
- ^d "Achievement Rate" represents a percentage of total "Results Achieved" of the total planned outputs and outcomes as reported in reports and recommendations of the President for the same operations.
- ^e The entry "100+," under the column "Achievement Rate," means the outputs achieved and exceeded the planned outputs.
- ^f Performance on this indicator will be rated against the annual benchmark of \$2.5 billion.

Source: ADB Strategy, Policy and Review Department.

Table C: ADB's Operational Management (Level 3)

Indicator	Baseline Year	ADB Operations Overall ^a		Operations Financed by Concessional OCR Loans and ADF Grants ^a		SDG Alignment ^b
		Baseline Value	2020 Target (⊙annual)	Baseline Value	2020 Target (⊙annual)	
Implementation Quality (operations satisfactorily implemented)						
1. Performance of sovereign operations at implementation rated <i>satisfactory</i> (%)	2016	95	85⊙	96	85⊙	
2. Performance of nonsovereign operations at implementation, credit rated <i>satisfactory</i> (%)	2016	99	95⊙			
3. Time from approval to first contract in sovereign projects (months)	2016	14.4	9.0	16.2	9.0	
Quality at Entry (high-quality country strategies and operations prepared)						
4. Quality at entry of country partnership strategies rated <i>satisfactory</i> (%)	2014	100		100		
5. Quality at entry of sovereign projects rated <i>satisfactory</i> (%)	2014	95		92		
6. Quality at entry of nonsovereign projects rated <i>satisfactory</i> (%)	2014	94				
74. Quality at entry of country partnership strategies in supporting inclusive economic growth rated <i>satisfactory</i> (%)	2014	100	90	100	90	
85. Infrastructure projects that are procurement ready (%)	2016	44	40			
Development Finance (development finance mobilized and transferred)						
96. Disbursement ratio for sovereign projects and results-based lending (%) ^c	2016	20.4	22	21.0	20	
107. Disbursement ratio for nonsovereign loans (%)	2014–2016	45.7	Maintain⊙			
118. Direct value-added cofinancing (% of ADB financing committed) ^{c d}	2014–2016	73	100			
129. Project development transactions for public–private partnerships (total number from 2013)	2016	58	100			
13. Cumulative public–private partnership leveraging achieved using ADB financing (ratio of leveraging amount to ADB financing approved)	2014–2016	8.3				
Strategy 2020 Development Agendas and Operations (ADB operations focused on strategic agendas and core operational areas)						

Indicator	Baseline Year	ADB Operations Overall ^a		Operations Financed by Concessional OCR Loans and ADF Grants ^a		SDG Alignment ^b
		Baseline Value	2020 Target (⊙annual)	Baseline Value	2020 Target (⊙annual)	
Operations contributing to inclusive economic growth focusing on:						
104. – growth and creation of jobs and opportunities (%) ^c	2014–2016	37	Monitor	36	Monitor	
115. – inclusive access to jobs and opportunities (%) ^c	2014–2016	61	Monitor	63	Monitor	
126. – social protection (%) ^c	2014–2016	6.0	Above baseline	7.1	Above baseline	
137. Operations supporting environmental sustainability (%) ^c	2014–2016	57	55	56	55	
148. Operations supporting climate change mitigation and/or adaptation (%)	2014–2016	45	45	44	35	
159. Operations supporting regional cooperation and integration (%) ^c	2014–2016	24	30			
2016. Financing for Strategy 2020 core operational areas (%) ^c	2014–2016	87	80⊙			
– Financing for education (%) ^c	2014–2016	4.9	6.0–10.0			
2417. Financing for health (%) ^c	2014–2016	1.4	3.0–5.0			
Strategy 2020 Drivers of Change (ADB Operations promote drivers of change)						
2218. Operations supporting private sector development and private sector operations (%) ^c	2014–2016	51	50	42	50	
2319. Financing for private sector operations (% of regular OCR commitments) ^c	2014–2016	15.1	20.0			
2420. Operations supporting governance and/or capacity development (%) ^c	2014–2016	72	Above baseline⊙	86	Above baseline⊙	

Indicator	Baseline Year	ADB Operations Overall ^a		Operations Financed by Concessional OCR Loans and ADF Grants ^a		SDG Alignment ^b
		Baseline Value	2020 Target (⊙annual)	Baseline Value	2020 Target (⊙annual)	
2521. Operations supporting gender mainstreaming (%) ^c	2014–2016	48	50	53	55	
26. Perceived ADB performance in promoting knowledge sharing and best practices (%)	2012 (latest survey)	51				
2722. Web-distributed knowledge solutions (number of downloads)	2016	558,000	Increase⊙			
2823. Civil society organizations participation in sovereign operations (% of committed operations) ^c	2016	93	90⊙	95	90⊙	
29. Operations aligned with country results frameworks (%)	2016	100		100		
3024. Sovereign operations using country systems (%) ^c	2016	59	Above baseline⊙	43	Above baseline⊙	

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

Legend: ⊙ = annual target.

Note: Shading in cells indicates the column head does not apply.

^a The new terminology resulting from the combination of ADF lending operations with the OCR balance sheet will be applied: “ADB Operations Overall” refers to operations financed by regular OCR loans, concessional OCR loans, and ADF grants; “Operations Financed by Concessional OCR Loans and ADF Grants” is a subset of ADB Operations Overall that is financed by concessional OCR loans and ADF grants.

^b ADB’s indicators may be aligned to more than one SDG. Precise SDG alignment and mapping will be undertaken during the development of the Strategy 2030-aligned results framework and reflected in ADB’s project classification system accordingly.

^c Indicators that have been converted to commitments.

^d Performance of the indicator “direct value-added cofinancing” will be assessed based on annual data rather than a 3-year average. To assess performance in the final year of the results framework, results for the year 2020 will be used, rather than for 2018–2020. This scoring approach is consistent with the midterm review of Strategy 2020.

Source: ADB Strategy, Policy and Review Department.

Table D.1: ADB's Organizational Management (Level 4)

Indicator	ADB Operations Overall ^a		
	Baseline Year	Baseline Value	2020 Target (⊙annual)
Human Resources (sufficient staff resources maintained, and staff motivation and diversity increased)			
1. Budgeted international and national staff in operations departments (%)	2014–2016	56	56⊙
2. Representation of women in the international staff category (%) ^b	2016	34	38
3. Staff engagement (index) ^c	2015	82	87
Budget Resources (budget efficiency and adequacy improved)			
4. Internal administrative expenses per \$1 million disbursement (\$'000)	2014–2016	48.4	43–50
5. Share of operational expenses for portfolio management (% of total operational expenses attributable to portfolio management and processing of operations)	2016	54.6	50–60

ADB = Asian Development Bank.

Legend: ⊙ = annual target.

^a The new terminology resulting from the combination of ADF lending operations with the OCR balance sheet will be applied: “ADB Operations Overall” refers to operations financed by regular OCR loans, concessional OCR loans, and ADF grants.

^b In 2016, the ADB President approved an overall target of 40% for representation of women in the international staff category by the end of 2022.

^c The staff engagement survey is conducted every 2–3 years. The target will be applied on the year of the survey.

Source: ADB Strategy, Policy and Review Department.

Table D.2: ADB's Organizational Management (Level 4)

Indicator	Baseline Year	ADB Operations Overall ^a		Operations Financed by Concessional OCR Loans and ADF Grants ^a	
		Baseline Value	2020 Target (⊙annual)	Baseline Value	2020 Target (⊙annual)
Process Efficiency and Client Orientation (business process efficiency and client orientation improved)					
6. Sovereign operations administered with substantial resident mission involvement (%)	2016	80	80	87	80
7. Sovereign operations processing time (from start of loan fact-finding to Board approval, months)	2016	7.1	6.0⊙	5.6	6.0⊙
8. Nonsovereign operations processing time (from start of due diligence to Board approval, months)	2016	9.0	Maintain⊙		
9. Processing time for procurement contracts for sovereign operations (more than \$10 million, days)	2016	45	40	58	40

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

Legend: ⊙ = annual target.

Note: Shading in cells indicates the column head does not apply.

^a The new terminology resulting from the combination of ADF lending operations with the OCR balance sheet will be applied: “ADB Operations Overall” refers to operations financed by regular OCR loans, concessional OCR loans, and ADF grants; “Operations Financed by Concessional OCR Loans and ADF Grants” is a subset of ADB Operations Overall that is financed by concessional OCR loans and ADF grants.

Source: ADB Strategy, Policy and Review Department.

I. PURPOSE, SCOPE, AND CONSULTATIONS

1. This paper proposes an extension of the 2013–2016 results framework of the Asian Development Bank (ADB), which was approved by the Board of Directors in January 2013 and updated in December 2014.¹ This extension will introduce a transitional results framework for 2017–2020 by revising or retaining the corporate targets that expired in 2016. While the broad strategic directions of Strategy 2020 and its midterm review continue to be relevant to Asia and the Pacific, ADB has started to prepare a new long-term strategy—Strategy 2030—to ensure that ADB remains relevant and effective in meeting the needs of its developing member countries (DMCs).² When ADB adopts the new strategy, the Strategy 2030-aligned results framework will supersede this transitional results framework.

2. Like its predecessors, the transitional results framework will (i) provide an objective assessment of ADB’s performance, (ii) facilitate learning and performance improvement, (iii) communicate with stakeholders about the results supported by ADB, and (iv) report on ADB’s operational and organizational performance. Performance against the transitional results framework will be reported in the annual Development Effectiveness Review (DEfR).³

3. The transitional results framework reflects ADB’s initiative to measure corporate performance based on commitments rather than approvals effective 1 January 2017.⁴ Management instructed staff to amend policies, procedures, and business processes so that resource allocation, planning, and monitoring are based on commitments starting 1 January 2018, with 2017 serving as a transition year.⁵ The purpose of this change is to expedite post-approval steps and facilitate faster project start-up and disbursement. The emphasis on commitments is intended to improve project readiness at the approval stage. It also aims to reduce the number of projects considered by the Board in the fourth quarter, as operations departments gradually advance the project cycle so that commitments can take place before the end of the year. Reflecting this change, baselines and targets for selected Level 3 indicators have been recalculated using commitment data.

4. The transitional results framework has benefited from internal and external consultations and reflections on the process of preparing the 2016 DEfR. The process involved consultations with the Board of Directors, Asian Development Fund (ADF) deputies, ADB Management, and staff in 2017. Country and regional workshops with government officials, private sector representatives, development partners, and civil society organizations in the DMCs were held during February–April 2016.

II. THE 2013–2016 RESULTS FRAMEWORK

5. In 2008, ADB became the first multilateral development bank to adopt a corporate results framework to mainstream managing for development results across its operations. ADB’s

¹ ADB. 2012. *Review of the ADB Results Framework*. Manila; ADB. 2014. *ADB’s Results Framework: Interim Update to Align with the Midterm Review of Strategy 2020*. Manila.

² ADB. 2014. *Midterm Review of Strategy 2020: Meeting the Challenges of a Transforming Asia and Pacific*. Manila.

³ The DEfR has been published annually since 2008: <http://adb.org/documents/series/development-effectiveness-review>

⁴ For sovereign and nonsovereign operations, “commitment” refers to financing approved by the Board or Management for which the legal agreement has been signed by the borrower, recipient, or the investee company and ADB, where the date of commitment is the date of signature. “Commitment amount” refers to the signed amount included in the signed legal agreement.

⁵ ADB. 2017. *Operational Adjustments and Change in Application of Existing ADB Policies Following the Introduction of Commitments as Performance Measurement*. Manila.

approach to managing for development results aims to monitor and improve ADB's performance in achieving the priorities of Strategy 2020 and its midterm review. The results framework covers ADB operations, as well as the subset of operations supported by concessional ordinary capital resources (OCR) lending and ADF grants. The results framework forms the basis of the annual DEfR. The DEfR assesses recent development progress in Asia and the Pacific, as well as ADB's development effectiveness, to determine where ADB can do better.

6. The original corporate results framework was refined in 2012 and 2014 (Appendix 1). The 2013–2016 results framework had two sections with four levels and 91 indicators:

- (i) Section I, which comprised Level 1, tracked development progress in Asia and the Pacific to monitor the continued relevance of Strategy 2020. It did not assess ADB performance, as it reflected the results achieved through the collective efforts of the countries and their development partners.
- (ii) Section II, which comprised Levels 2–4, measured ADB's performance in executing Strategy 2020. Level 2 focused on ADB's contribution to development results through the delivery of results by recently completed operations. Level 3 tracked ADB's operational management of new and ongoing operations. Level 4 examined ADB's performance in managing its internal resources and processes to support its operations effectively.

III. OBJECTIVES AND SCOPE OF THE EXTENSION

7. The results framework has succeeded as a tool to gauge ADB's performance and has helped Management determine necessary reforms. The main objectives of extending the results framework are to (i) ensure its continued relevance, efficiency, and effectiveness as a performance management tool; and (ii) revise or retain the corporate targets, which expired in 2016, until the Strategy 2030-aligned corporate results framework is developed and approved.

IV. GUIDING PRINCIPLES FOR EXTENDING THE 2013–2016 RESULTS FRAMEWORK

8. International best practices and ADB's experience point to principles that should be applied in extending the results framework. The principles identified in ADB's 2013–2016 results framework and its 2014 update remain valid (footnote 1). Broadly, these can be categorized as relevance, efficiency, and prudent target setting.

9. **Ensure relevance.** The results framework is a tool to support the achievement of ADB's strategic agendas. As Strategy 2020 and its midterm review remain relevant, the transitional results framework reflects the strategic directions identified in these documents. Since the Sustainable Development Goals (SDGs) have replaced the Millennium Development Goals (MDGs) as the globally agreed upon framework for development cooperation, the transitional results framework will reflect these changes by updating Level 1 indicators in line with the SDGs, and indicating alignment of the indicators at Levels 2 and 3 with the SDGs, where appropriate, especially those that are relevant to Asia and the Pacific.

10. **Ensure efficiency.** As the results framework should support the delivery of value for money, it should be designed and implemented efficiently. The following principles underpin the framework:

- (i) **Ensure cost-effectiveness and comparability of data.** The indicators should permit maximum comparability of performance over time in the context of the

strategic directions identified in Strategy 2020 and its midterm review. Data should be readily available, and collection methods should be established and reliable.

- (ii) **Rationalize the number of indicators.** The indicators should be limited to those that are most important to corporate decision making. More detailed information, analysis, and indicators should be provided through other tools, such as sector and thematic operational plan reports. International good practice also indicates that a results framework should not have too many indicators. The transitional results framework will remove selected indicators for which data are no longer collected and which are no longer useful for performance management purposes.

11. **Set targets prudently.** The transitional results framework will continue to use results framework indicators to track performance in areas that have specific quantitative baselines and targets for achievement annually and/or by 2020. The targets should be ambitious yet realistic. A decade of DEfR experience and Management forecasts and expectations of ADB performance guided the assessment of target attainability. The proposed targets take into account ADB's performance in recent years and the targets set in various strategic documents, such as Strategy 2020; the midterm review of Strategy 2020; and the President's Planning Directions based on the Work Program and Budget Framework, 2017–2019.⁶ Appendix 2 presents the sources of the 2020 targets.⁷

12. Like the 2013–2016 results framework, the transitional results framework will be supplemented with standard explanatory data indicators (SEDIs). While they are not formally part of the framework, SEDIs enable ADB to systematically monitor its performance across a broad range of areas. SEDIs will be used to monitor (i) ADB's performance in areas that do not have targets but still need to be monitored (e.g., infrastructure operations benefiting lagging areas); and (ii) key actions that can be readily quantified and measured with available data (e.g., operations or transactions supporting inclusive business).

V. TRANSITIONAL RESULTS FRAMEWORK INDICATORS

13. **Aligning with global developments.** Two significant developments—the adoption of the SDGs in September 2015 and of the Paris Climate Agreement in December 2015—are relevant to the transitional results framework. Level 1 indicators that monitored progress toward the MDGs will be updated in line with the SDGs, and indicators at Levels 2 and 3 in the transitional results framework are mapped to relevant SDGs wherever appropriate.

14. **Monitoring country development progress.** The primary purpose of Level 1 indicators is to monitor the development progress of ADB's DMCs. The 2013–2016 results framework adopted regional aggregate targets for MDG indicators included in Level 1. However, the transitional results framework will not set targets for Level 1 and will instead show whether performance has improved, stayed constant, or regressed. There are two main reasons for this change. First, country-level targets for the same indicators may differ, as each DMC has distinct priorities and country context. Second, intermediate targets toward the SDGs have not yet been agreed upon. This change will align ADB's approach to Level 1 with that of many other multilateral development banks.

⁶ ADB. 2016. *Work Program and Budget Framework, 2017–2019*. Manila.

⁷ In some cases, targets are below baseline performance levels. Such targets take into account new areas for targets and performance projections. In many instances targets are considered to be performance floors or minimum performance standards.

15. In line with the SDGs, Level 1 indicators will undergo two key updates: renaming 12 indicators to match the indicator names used in the SDG framework and replacing 4 indicators with SDG indicators that measure the same result more accurately.⁸ The 12 indicators to be renamed to reflect the officially agreed upon SDG indicators are those measuring (i) extreme poverty, (ii) gross domestic product growth, (iii) under-5 child mortality, (iv) maternal mortality, gender parity in (v) secondary and (vi) tertiary education, (vii) access to electricity, access to water supply in (viii) rural and (ix) urban areas, access to sanitation in (x) rural and (xi) urban areas, and (xii) forest coverage. The following four Level 1 indicators will be replaced by corresponding indicators in the official SDG framework:

- (i) An indicator on inequality in DMCs using the Gini coefficient will be replaced by the official SDG indicator, which compares growth rates of household expenditure or income per capita of the bottom 40% with that of the total population.
- (ii) The indicator on underweight children will be replaced by the official SDG indicator on the prevalence of stunting among children under 5 years of age, i.e., children who are below average height for their age, to better reflect conditions associated with chronic malnutrition and frequent illness.
- (iii) An indicator on the number of deposit accounts in financial institutions will be replaced by the official SDG indicator on the proportion of adults (15 years and older) with an account at a bank or other financial institution or with a mobile money service provider. This SDG indicator measures the use of various financial services by unique individuals rather than the count of deposit accounts, which can be under the name of the same individual and therefore tends to overestimate the use of financial services.
- (iv) The indicator that tracks the volume of carbon dioxide emissions per capita will be replaced by the official SDG indicator on carbon dioxide emission per unit of value added. The proposed indicator better captures the efficiency in the use of energy brought about by factors including the carbon intensity of the energy mix, the structure of an economy, the energy efficiency of production technologies, and the total value of economic output.

16. **Shifting performance measurement to commitments.** To align with the introduction in 2017 of corporate performance measurement based on commitments (footnote 4) rather than approvals, the transitional results framework includes selected baselines and targets calculated based on commitments. As this shift changed the baselines of some indicators, some targets had to be recalibrated. Indicators that measure the efficiency of internal ADB processes, such as infrastructure projects that are procurement ready, will continue to be reported on based on approvals.

17. **Improving the framework's relevance.** The 2013–2016 results framework had 91 indicators. Selected indicators for which data are collected infrequently and those which are no longer useful for performance management will be removed. This will result in a streamlined transitional results framework with 85 indicators, which will sharpen the focus on ADB's strategic priorities and improve the cost-effectiveness of results management.

⁸ Despite significant improvements in data collection and estimation methodologies, in several Level 1 indicators, data comes with a time lag, often 3 or more years, and is not available for all DMCs. Only 12 of the 21 Level 1 indicators (excluding the indicator on governance and public sector management assessment index, which is computed only for concessional assistance countries) have data more recent than 2012 for 80% or more of DMCs.

VI. TRANSITIONAL RESULTS FRAMEWORK TARGETS

A. Time Frame and Baselines

18. Consistent with the current method for assessing performance in 4-year cycles, the time frame for the transitional results framework is 2017–2020.

19. The transitional results framework uses baseline values based on the data available when this paper was prepared. The baselines will be revised where appropriate using data available in early 2018, and the updated baselines will be presented in the 2017 DEfR.⁹

B. Targets

20. ADB considered the following sources in proposing targets for the transitional results framework:

- (i) **Strategy 2020 and its midterm review.** Indicators with long-term targets in Strategy 2020 will be retained where appropriate. Examples include financing for Strategy 2020 core operational areas (80%) and operations supporting private sector development and private sector operations (50%). The midterm review identified additional corporate targets up to 2020, including expanding education operations to 6%–10% and health operations to 3%–5% of total ADB financing (Level 3). The transitional results framework will include these targets.
- (ii) **The 2013–2016 results framework.** To ensure continuity and maximum comparability of data, the transitional results framework will retain the following targets set in the 2013–2016 results framework: (a) 80% of completed sovereign and nonsovereign operations rated *successful*, and (b) the annual achievement rate of 85% for core operational results indicators.
- (iii) **Other planning documents.** The transitional results framework uses targets set in the President’s Planning Directions based on the Work Program and Budget Framework, 2017–2019, as well as in sector operational plans, where appropriate. For indicators that did not have explicit targets for 2020, targets were developed in consultation with sector and thematic groups and relevant departments and offices.

21. Paras. 22–44 discuss the rationale for retaining or revising targets and for deleting some indicators in the 2013–2016 results framework. Baselines and proposed targets for the transitional results framework are in Tables A–D on pp. iii–xiii.

1. Level 1

22. As country-specific targets for the same indicators at Level 1 may differ and intermediate targets toward the SDGs have not been agreed upon, the transitional results framework will show whether performance at the regional level has improved, stayed constant, or regressed.

⁹ The cut-off date for the data in this paper was 8 November 2017. Any data updates after this date will be reflected in the 2017 DEfR.

2. Level 2

23. The 2016 target of 80% will be retained for 2020 for (i) completed country strategies and assistance programs rated *successful*, (ii) completed sovereign operations rated *successful*—projects and policy-based operations, (iii) completed sovereign operations rated *likely sustainable*, (iv) completed nonsovereign operations rated *successful*, and (v) completed technical assistance projects rated *successful*. This reflects ADB's commitment to achieve this ambitious target.

24. The 2016 target of 70% for the indicator on completed sovereign operations delivering intended gender equality results will be retained, considering the effort needed to maintain this high level of performance across ADB operations. For Level 2 core operational results, the annual achievement rate will be retained at 85% to ensure continuity and maximum comparability with the 2013–2016 results framework.

3. Level 3

25. The transitional results framework will shift selected baselines to commitments, but will continue to report on other indicators (e.g., infrastructure projects that are procurement ready) based on approvals (para. 16). The 2016 targets of 85% for performance of sovereign operations at implementation rated *satisfactory* and 95% for performance of nonsovereign operations at implementation, credit rated *satisfactory* will be retained to continue to encourage staff to identify risks proactively and maintain focus on implementation quality.

26. **Procurement readiness.** ADB is committed to delivering better value for money. Therefore, ADB must reduce the time between approval and first contract, because slow start-up can lengthen the average implementation period of operations. The average length of time from approval to first contract in sovereign operations was largely stagnant during 2013–2016. The 2016 target for time from approval to first contract in sovereign projects will therefore be retained at 9 months. This indicator will be reported based on approvals, since it measures the efficiency of internal processes.

27. The 2016 target for infrastructure projects that are procurement ready will be retained at 40%, given fluctuations in performance during 2013–2016 on this corporate indicator introduced in 2014 and the time needed for procurement reforms introduced under the midterm review to take effect. This indicator will be reported based on approvals, since it measures the efficiency of internal processes.

28. **Quality at entry.** The following indicators related to the biennial assessment of quality at entry will be removed: quality at entry of (i) country partnership strategies rated *satisfactory*, (ii) sovereign projects rated *satisfactory*, and (iii) nonsovereign projects rated *satisfactory*. A quality-at-entry exercise in its current form is not planned; Management introduced a new initiative to enhance the quality of project and program documentation at entry. Effective 1 January 2017, ADB's Strategy and Policy Department was renamed the Strategy, Policy and Review Department and was given an expanded mandate to carry out quality review of selected operations. The indicator on quality at entry of country partnership strategies in supporting inclusive economic growth rated *satisfactory* will be retained with a target of 90%, as an alternative source of data is available.

29. **Disbursement ratio.** The 2016 targets of 22% for the disbursement ratio of sovereign projects and results-based lending for ADB overall and 20% for concessional OCR loans and

ADF grants will be retained for 2020. The indicator definition is modified based on commitments, resulting in changed 2016 baselines of 20.4% for ADB overall and 21.0% for concessional OCR loans and ADF grants. ADB's performance on the disbursement ratio of nonsovereign projects varied significantly over the years and a 3-year average (2014–2016) baseline of 45.7% will be adopted to account for this volatility. The annual target to “maintain” the baseline performance will be retained for this indicator.

30. **Cofinancing.** Strategy 2020 set the long-term objective of having total annual direct cofinancing exceed the value of ADB's stand-alone project financing. The target for direct value-added cofinancing to be achieved by 2020 is set at 100%¹⁰ in view of the goal set in Strategy 2020.¹¹

31. **Public–private partnerships.** The 2016 target for the indicator on project development transactions for public–private partnerships (PPPs) will be increased to 100 in 2020. This ambitious target for PPPs recognizes the strong focus on private sector development in Strategy 2020 and its midterm review, as well as the expanding PPP environments in ADB's DMCs. The indicator on cumulative PPP leveraging achieved using ADB financing (ratio of leveraging amount to ADB financing approved) will be removed, as it mixes different types of leveraging. Leveraging achieved using project development facilities and onlending programs is significantly greater than the leveraging impact of nonsovereign project financing lending. Good practice dictates that such varied measurements should not be combined into a single indicator.

32. **Strategic alignment.** ADB's performance on indicators for (i) growth and the creation of jobs and opportunities, and (ii) inclusive access to jobs and opportunities will continue to be monitored without a target, in line with the 2013–2016 results framework. The target of “above baseline” for operations contributing to inclusive economic growth focusing on social protection will also be retained to reflect the emphasis given to social protection in the midterm review.

33. Several indicators related to the alignment to ADB's strategic agendas and drivers of change will have higher 2020 targets than the 2016 targets:

- (i) operations supporting environmental sustainability—from 50% for ADB overall and 40% for concessional OCR loans and ADF grants to 55% for both to improve the alignment of operations with the Strategy 2020 strategic agenda of environmentally sustainable growth;
- (ii) operations supporting private sector development and private sector operations—from 40% to 50% in line with the commitments made in Strategy 2020;
- (iii) operations supporting regional cooperation and integration—from 25% to 30% for ADB overall, in accordance with the target set in the midterm review;
- (iv) operations supporting gender mainstreaming—from 45% to 50% for ADB overall to reflect ADB's commitment to narrow gender disparities (the target of 55% is retained for operations financed by concessional OCR lending and ADF grants);

¹⁰ This ratio will be reexamined in view of ADB's value addition and harmonization with other multilateral development banks.

¹¹ ADB's performance on the indicator for direct value-added cofinancing will be assessed based on annual data rather than a 3-year average. To assess the performance in the final year of the results framework, results for the year 2020, rather than for 2018–2020, will be used. This scoring approach is consistent with the midterm review of Strategy 2020.

- (v) financing for education—from 4.7%–10.0% to 6.0%–10.0% in line with the midterm review; and
- (vi) financing for health—from 1.5%–5.0% to 3.0%–5.0%, in line with the midterm review.

34. The 2020 target for the indicator on financing for private sector operations (percentage of regular OCR commitments) will be set at 20%. The midterm review of Strategy 2020 includes the 2020 target of 25% for financing for private sector operations. However, since this target was set based on approvals, it needed to be revisited to reflect the shift to commitments. Historical trends in droppages in nonsovereign operations between approval and commitment, and projected growth of commitments for private sector operations up to 2020 support the target of 20%, which is ambitious but achievable.

35. The annual target of 80% will be retained for financing for Strategy 2020 core operational areas. Retaining the 2016 targets for the indicator on operations supporting climate change mitigation and/or adaptation (45% for ADB overall and 35% for operations financed by concessional OCR loans and ADF grants) reflects the time needed to mainstream this type of operation. ADB will continue to report on this indicator based on approvals to ensure consistency with the climate finance target of \$6 billion (based on approvals) in the President's Planning Directions for 2017. The 2016 targets for civil society organizations' participation in sovereign operations (percentage of committed operations) will be retained at 90%, as Management considers this level to be appropriate as the minimum performance standard. The target of "above baseline" for the indicator on operations supporting governance and/or capacity development will be retained with higher baselines (72% for ADB overall and 86% for operations financed by concessional OCR loans and ADF grants) than in the 2013–2016 results framework. The higher baselines reflect ADB's ongoing commitment to governance and capacity development, a driver of change under Strategy 2020.

36. The indicator on perceived ADB performance in promoting knowledge sharing and best practices will be removed, as data are collected infrequently (the last survey was in 2012). Administration of another survey in its current form is not planned.

37. The target for the indicator on sovereign operations using country systems will remain "above baseline" to support greater use of country systems in DMCs in order to reduce transaction costs. The target of "increase" for the indicator on web-distributed knowledge solutions (number of downloads) will be retained with a higher baseline (558,000 downloads) than in the 2013–2016 results framework (296,000 downloads). The higher baseline reflects ADB's continuing emphasis on knowledge sharing. The indicator on operations aligned with country results frameworks will be removed because ADB's performance in recent years has consistently exceeded the target and is likely to stay at 100%.

4. Level 4

38. The 2016 target for budgeted international and national staff in operations departments will be increased by 1 percentage point to 56%, which Management considers to be the appropriate minimum level. The target for representation of women in the international staff category will be increased to 38%.¹² The target of 87% for the periodic assessment of staff

¹² ADB introduced a new target of 40% for representation of women international staff by the end of 2022.

engagement will be retained, as Management recognizes the need to return to the high level (86%) achieved in 2012.

39. **Budget indicators.** The 2020 target ranges for two budget indicators have been modified: (i) \$43,000–\$50,000 for internal administrative expenses (IAE) per \$1 million disbursement; and (ii) 50.0%–60.0% for the share of operational expenses for portfolio management (percentage of total operational expenses attributable to portfolio management and processing of operations). With regards to the indicator on the IAE per \$1 million disbursed, the slowing growth in IAE combined with a rapid increase in disbursements drove the indicator value down. ADB recognizes the organizational context has changed since the target range was set in 2012. With ADB pursuing various efficiency measures, IAE growth has slowed from 13.6% in 2010 to 2.0% in 2015. An increased share of policy-based lending and results-based lending in ADB's operations contributed to faster and larger disbursements. The target range for the IAE indicator was lowered to account for increased efficiencies in ADB operations following the ADF–OCR merger, and to better reflect the cost of doing business with changes in the mix of lending modalities in ADB's portfolio. ADB introduced major efficiency reforms including operational efficiency, information technology, procurement, and human resources including staff optimization leading up to the ADF–OCR merger. At the same time, ADB fostered high staff awareness of efficiencies and innovation in daily operations. Furthermore, ADB stepped up efforts to (i) identify and incorporate efficiency savings to manage budget growth; and (ii) redeploy staff and budgetary resources to priority areas to flexibly operate within the approved annual budget envelope.

40. The target range for the indicator on the share of operational expenses for portfolio management will be modified to recognize a renewed emphasis on quality project preparation and readiness to avoid implementation delays later on. In addition, the growing policy-based and results-based lending operations require fewer resources during project implementation compared with investment projects, rendering the 2012 assumptions for estimating a target value less relevant. The new target confirms ADB's commitment to strengthen overall budget efficiency while ensuring adequate resources are allocated to the supervision of operations.

41. **Process indicators.** The 2016 target of 80% for the indicator on sovereign operations administered with substantial resident mission involvement will be retained, as ADB recognizes the need to maintain this high level of participation of resident mission staff in project implementation.

42. The original definition (based on approvals) of the two project processing indicators will be retained, as these indicators measure the efficiency of internal processes. While the time needed to process sovereign operations steadily shortened during 2013–2016, it still took longer than the targeted 6 months. Therefore, the target will be retained.

43. ADB's performance in reducing the time to process nonsovereign operations has varied from year to year. The 2016 target of maintaining the baseline value remains relevant and is consistent with ADB's commitment to streamline its business processes.¹³

44. The target of 40 days for processing procurement contracts for sovereign operations valued at more than \$10 million will be retained, given the time needed for procurement reforms introduced since 2015 to take effect.¹⁴

¹³ ADB. 2015. *Enhancing Operational Efficiency of the Asian Development Bank*. Manila.

¹⁴ ADB. 2017. *Improving ADB Project Performance through Procurement Reforms*. Manila.

VII. SUMMARY OF CHANGES

45. The proposed changes will reduce the number of indicators from 91 to 85. The key changes are as follows:

- (i) At Level 1, 12 indicators will be renamed and 4 will be replaced to align with the SDG indicators.
- (ii) At Level 3, the definitions of 15 indicators will be modified following the shift from approvals to commitments, the targets of 10 indicators will be increased, the targets of 3 indicators will be modified, and 6 indicators will be removed.
- (iii) At Level 4, five indicators will have modified targets.

46. These changes are summarized in the table.

Summary of Changes

Level	Indicators in the 2013–2016 Results Framework (number)	Indicators Converted to Commitments (number)	Indicators with Increased or Modified Targets (number)	Indicators Removed (number)	Indicators in the Transitional Results Framework (number)
Level 1	22			0	22
Level 2	30	0	0	0	30
Level 3	30	15	13 ^a	6	24
Level 4	9	0	5	0	9
Total	91	15	18^a	6	85

Note: Shading in cells indicates the column head does not apply.

^a Includes indicators whose target was increased due to improved performance, and indicators with (i) higher baselines in 2016 compared to the baselines in the 2013–2016 framework; and (ii) targets of “maintain,” “increase,” and “above baseline.”

Source: ADB Strategy, Policy and Review Department.

47. The transitional results framework is presented in Tables A–D in the executive summary (pp. iii–xiii). Appendix 1 presents the 2013–2016 results framework updated in 2014; Appendix 2 presents sources of data and the target values for 2020. The transitional results framework is supported by the linked documents listed in Appendix 3.

VIII. REPORTING OF CONCESSIONAL ORDINARY CAPITAL RESOURCES LENDING AND ASIAN DEVELOPMENT FUND GRANT RESULTS

48. Under the 2013–2016 results framework, the ADF results framework was a subset of the ADB corporate results framework, sharing the same set of indicators but applying ADF-specific baselines and targets. ADB assessed and reported on (i) the progress the ADF-recipient countries made on Level 1 indicators, and (ii) the development effectiveness of operations financed by concessional assistance using indicators at Levels 2–4 of the results framework. Given that ADF lending operations were combined with the OCR balance sheet in January 2017, the reporting of the results of concessional OCR loans and ADF grants in the transitional results framework had to be reassessed. Based on consultations, the transitional results framework will report the progress of concessional assistance countries (those with access to regular OCR loans, concessional OCR loans, and ADF grants) at Level 1 of the results framework and the results of

the operations funded by concessional OCR loans and ADF grants under Levels 2–4. This will provide general comparability and continuity with how ADF results have been reported on.

IX. TIME FRAME FOR REVIEWING THE RESULTS FRAMEWORK

49. *The Asian Development Bank's Transitional Results Framework, 2017–2020* will supersede the 2014 *ADB's Results Framework: Interim Update to Align with the Midterm Review of Strategy 2020*. In 2018, ADB will initiate a comprehensive review to develop a results framework aligned with Strategy 2030.

X. USE OF THE TRANSITIONAL RESULTS FRAMEWORK

50. The transitional results framework will be used as the basis for monitoring ADB's performance and to support decision making. The DEfR will report on ADB's performance against the updated indicators and targets. ADB will supplement the DEfR assessment with other results-focused monitoring and reporting tools, such as (i) annual portfolio performance reviews, which provide in-depth analysis of ADB's portfolio issues and their underlying causes; (ii) evaluation studies by the Independent Evaluation Department, including its annual evaluation reviews; (iii) sector and thematic operational plans and their monitoring reports; and (iv) the Strategy 2020 midterm review action plan.

XI. RECOMMENDATION

51. The President recommends that the Board approve the transitional results framework as described on pp. iii–xiii of this paper.

ADB RESULTS FRAMEWORK, 2013–2016 (UPDATED IN 2014)

Table A1.1: Section I—Development Progress in Asia and the Pacific (Level 1)

Indicators	Baseline Year	ADB Countries ^a		ADF Countries ^a	
		Baseline Value	MDG Target ^b (2015)	Baseline Value	MDG Target ^b (2015)
Poverty (income and non-income)					
1. Population living on less than \$1.25 (PPP) per day (%)	2010	20.7	27.2	28.0	30.9
2. GDP per capita growth rate (%)	2011	7.0	...	4.2	...
3. Countries with high income inequality (% of countries with Gini coefficient exceeding 0.4)	2000–2010	22.2	...	11.1	...
4. Wage and salaried workers in total employment (%)	2011	29.8	...	37.1	...
▪ Female	2011	26.9	...	26.3	...
▪ Male	2011	28.5	...	37.4	...
5. Underweight children under 5 years old (%)	2010	23.5	16.3	26.2	21.8
6. Under-5 child mortality (number per 1,000 live births)	2011	43.1	31.0	60.4	39.5
▪ Female	2010	44.6	30.7	55.7	38.2
▪ Male	2010	45.4	31.2	62.9	40.8
Ratio of girls to boys in education					
7. ▪ Secondary	2010	0.97	1.00	0.93	1.00
8. ▪ Tertiary	2010	0.93	1.00	0.85	1.00
9. Gross lower secondary education graduation rate (%)	2010	75.7	...	50.5	...
▪ Female	2010	77.3	...	49.4	...
▪ Male	2010	74.2	...	51.5	...
10. Maternal mortality ratio (number per 100,000 live births)	2009	166.3	100.1	236.0	140.2
Other Development Outcomes					
11. Paved roads (kilometers per 10,000 people)	2009	14.4	...	8.2	...
12. Electrification rate (%)	2010	83.1	...	62.9	...
13. Deposit accounts in financial institutions (number per 1,000 adults)	2010	488.8	...	479.9	...
Population using an improved drinking water source (%)					
14. ▪ Rural	2010	85.4	80.6	82.0	81.8
15. ▪ Urban	2010	96.2	96.4	93.0	94.2
Population using an improved sanitation facility (%)					
16. ▪ Rural	2010	43.4	58.8	51.7	64.5
17. ▪ Urban	2010	70.9	77.7	73.1	84.6
18. Governance and public sector management assessment (index)	2012			3.6	...
19. Time to start business (days)	2012	29.7	...	29.8	...
20. Intra-regional trade in total Asia and Pacific trade (%)	2011	49.5	...	58.9	...
21. Land area covered by forests (%)	2010	22.7	Increase	22.1	Increase
22. Carbon dioxide emissions (metric tons per capita)	2009	3.2	...	0.9	...

... = not available, ADB = Asian Development Bank, ADF = Asian Development Fund, GDP = gross domestic product, MDG = Millennium Development Goal, PPP = purchasing power parity.

Note: Shading in cells indicates the column head does not apply.

^a For ADB developing member countries and their classifications: ADB. 2014. *Development Effectiveness Review 2013*. Manila (Appendix 1).

^b MDG baselines and targets were derived by averaging the individual country targets, weighted by population.

Source: ADB. 2014. *ADB's Results Framework: Interim Update to Align with the Midterm Review of Strategy 2020*. Manila.

Section II—ADB's Development Effectiveness

Table A1.2: ADB Contributions to Development Results (Level 2)

Indicators	Baseline Year	ADB Operations		ADF Operations	
		Baseline Value	2016 Target	Baseline Value	2016 Target
Quality at Completion (country strategies and assistance programs successfully completed)					
1. Completed country strategies and assistance programs rated <i>successful</i>	2010–2012	62	80	67	80
2. Completed sovereign operations rated <i>successful</i>	2010–2012	72	80	68	80
3. Policy-based operations	2010–2012	62	80	62	80
4. Rated <i>likely sustainable</i>	2010–2012	60	80	55	80
5. Completed nonsovereign operations rated <i>successful</i>	2010–2012	53	80		
6. Completed technical assistance projects rated <i>successful</i>	2010–2012	83	80	83	80
7. Completed sovereign operations delivering intended gender equality results	2010–2012	52	70	53	70

Indicators	ADB Operations			ADF Operations			
	Baseline (2013)			Baseline (2013)			
	Number of Operations	Results Achieved ^a	Achievement Rate (%) (Satisfactory: 85% or above)	Number of Operations	Results Achieved ^a	Achievement Rate (%) (Satisfactory: 85% or above)	
Core Operational Results (results in Strategy 2020 core operational areas achieved) ^c							
Infrastructure							
Energy							
8. Greenhouse gas emission reduction (tCO ₂ -equiv/year)	9	1,589,000	100+ ^b	2	600,000	100	 ■
9. New households connected to electricity (number)	3	75,000	28	1	17,000	100+ ^b	□
10. Installed energy generation capacity (megawatts)	5	5,000	100+ ^b	0			◇
▪ Renewable	2	110		0			 ◇
11. Transmission lines installed or upgraded (kilometers)	2	1,500	100	0			◇
12. Distribution lines installed or upgraded (kilometers)	1	1,200	92	0			◇
Transport							
13. Use of roads built or upgraded (average daily vehicle-kilometers in the first full year of operation)	14	6,074,000	100+ ^b	9	2,639,000	96	■
14. Use of railways built or upgraded (average daily ton-kilometers in the first full year of operation)	9	520,000	100+ ^b	6	488,000	100+ ^b	 ■
15. Roads built or upgraded (kilometers)	2	3,600	91	8	1,800	77	◇
16. Railways constructed or upgraded (kilometers)	12	240	100	1	75	100	 ◇
17. Urban rail- and bus-based mass transit systems built or upgraded (kilometers) ^f	2	0	 ◇
Water							
18. Households with new or improved water supply (number)	9	861,000	100+ ^b	5	142,000	91	□
19. Households with new or improved sanitation (number)	6	499,000	100+ ^b	3	50,000	86	 □
20. Wastewater treatment capacity added or improved (cubic meters per day)	3	154,000	92	2	3,600	21	 ◇

Indicators	ADB Operations			ADF Operations				
	Baseline (2013)			Baseline (2013)				
	Number of Operations	Results Achieved ^a	Achievement Rate (%) (Satisfactory: 85% or above)	Number of Operations	Results Achieved ^a	Achievement Rate (%) (Satisfactory: 85% or above)		
21. Water supply pipes installed or upgraded (length of network in kilometers)	4	9,900	100+ ^b	2	4,400	86		◇
22. Land improved through irrigation, drainage, and/or flood management (hectares)	3	100,000	93	2	87,000	92		◇
Finance	7			5				
23. Trade finance supported (\$ million per year)		4,000	100+ ^b					■
24. Microfinance loan accounts opened or end borrowers reached (number)	3	831,000	100+ ^b	3	831,000	100+ ^b		□
▪ Female		810,000			810,000			
▪ Male		21,000			21,000			
25. Small and medium-sized enterprise loan accounts opened or end borrowers reached (number)	4	4,000	100+ ^b	2	2,900	100+ ^b		□
Education	7			6				
26. Students benefiting from new or improved educational facilities (number)	5	12,293,000	87	5	12,293,000	87		□
▪ Female		5,964,000			5,964,000			
▪ Male		6,329,000			6,329,000			
27. Students educated and trained under improved quality assurance systems (number)	4	19,122,000	85	4	19,122,000	85		□
▪ Female		9,620,000			9,620,000			
▪ Male		9,456,000			9,456,000			
28. Teachers trained with quality or competency standards (number)	7	515,000	100+ ^b	7	515,000	100+ ^b		◇
▪ Female		241,000			241,000			
▪ Male		267,000			267,000			
Environment								
Indicators: 8, 10 (renewable), 14, 16, 17, 19, and 20								
Regional Cooperation and Integration	3			2				
29. Cross-border transmission of electricity (gigawatt-hours per year)	0			0				■
30. Cross-border cargo volume facilitated (tons per year)	3	30,505,000		2	5,335,000			■

... = not available, ADB = Asian Development Bank, ADF = Asian Development Fund, tCO₂ equivalent/year = tons of carbon dioxide equivalent per year.

Note: Shading in cells indicates the column head does not apply.

Legend: 🌿 Environment indicator ■ Outcome □ Outcome proxy ◇ Output

^a Data under "Results Achieved" are an aggregate amount of outputs and outcomes reported in project completion reports as achieved by ADB-supported operations; "Achievement Rate" represents a percentage of total "Results Achieved" of the total planned outputs and outcomes as reported in reports and recommendations of the President for the same operations.

^b The entry "100+" under the column "Achievement Rate," means the outputs achieved exceeded the planned outputs.

^c Baseline data are not available as project completion reports circulated in 2013 did not include operations that intended to deliver the indicator outputs and outcomes.

Source: ADB. 2014. *ADB's Results Framework: Interim Update to Align with the Midterm Review of Strategy 2020*. Manila.

Table A1.3: ADB Operational Management (Level 3)

Indicators	Baseline Year ^a	ADB Operations		ADF Operations	
		Baseline Value	2016 Target (⊙annual)	Baseline Value	2016 Target (⊙annual)
Implementation Quality (operations satisfactorily implemented)					
1. Performance of sovereign operations at implementation rated <i>satisfactory</i> (%)	2012	89	85⊙	89	85⊙
2. Performance of nonsovereign operations at implementation, credit rated <i>satisfactory</i> (%)	2012	97	95⊙		
3. Time from approval to first contract in sovereign projects (months)	2012	12.9	9	13.7	9
Quality at Entry (high-quality country strategies and operations prepared)					
4. Quality at entry of country partnership strategies rated <i>satisfactory</i> (%)	2012	100	90⊙ ^a	100	90⊙ ^a
5. Quality at entry of sovereign projects rated <i>satisfactory</i> (%)	2012	85	90⊙ ^a	84	90⊙ ^a
6. Quality at entry of nonsovereign projects rated <i>satisfactory</i> (%)	2012	84	90		
7. Quality at entry of country partnership strategies in supporting inclusive economic growth rated <i>satisfactory</i> (%)	2012	100	90	100	90
8. Project design and monitoring frameworks rated <i>satisfactory</i> (%) Infrastructure projects that are procurement ready (%)	2012	82 15	90 40	84	90
Development Finance (development finance mobilized and transferred)					
9. Disbursement ratio for sovereign projects and results-based lending (age standardized, %)	2012	48.3 17.8	22	46.3 16.9	20
10. Disbursement ratio for nonsovereign project finance loans (age standardized, %)	2012	26.9 24.4	Maintain⊙		
11. Direct value-added cofinancing (% of ADB financing approved)	2010–2012	51	70	34	50
12. Project development transactions for public–private partnerships (total number from 2013)	2012	1	50		
13. Cumulative public–private partnership leveraging achieved using ADB financing (ratio of leveraging amount to ADB financing approved)	2010–2012	7.0	8.0		
Strategy 2020 Development Agendas and Core Operations (ADB operations focused on strategic agendas and core operational areas)					
14. Operations contributing to inclusive economic growth focusing on	2010–2012	49	Monitor	39	Monitor
15. <ul style="list-style-type: none"> ▪ growth and creation of jobs and opportunities (%) 	2010–2012	45	Monitor	60	Monitor
16. <ul style="list-style-type: none"> ▪ inclusive access to jobs and opportunities (%) ▪ social protection (%) 	2010–2012	5	Monitor Above baseline	9	Monitor Above baseline
17. Operations supporting environmental sustainability (%)	2010–2012	43	50	36	40
18. Operations supporting climate change mitigation and/or adaptation (%)	2011–2012	39	60 45	27	60 35
19. Operations supporting regional cooperation and integration (%)	2010–2012	21	25	27	25
20. Financing for Strategy 2020 core operational areas (%)	2010–2012	91	80⊙	90	80⊙
<ul style="list-style-type: none"> ▪ Financing for education (%) 	2010–2012	3.4	4.7–10		
21. Financing for health (%)	2011–2012	0.6	1.5–5		
Strategy 2020 Drivers of Change (ADB operations promote drivers of change)					
224. Operations supporting private sector development and private sector operations (%)	2010–2012	37	40	29	40
23. Financing for private sector operations (% of OCR approvals)	2010–2012	15	20		
242. Operations supporting governance and/or capacity development (%)	2010–2012	57	Above baseline⊙	68	Above baseline⊙
253. Operations supporting gender mainstreaming (%)	2010–2012	49	45	58	55
264. Perceived ADB performance in promoting knowledge sharing and best practices (%)	2012	51	60		
275. Web-distributed knowledge solutions (number of downloads)	2012	296,000	Increase⊙		
286. Civil society organizations participation in sovereign operations, % of approved operations)	2012	98	90⊙	98	90⊙

Indicators	Baseline Year ^a	ADB Operations		ADF Operations	
		Baseline Value	2016 Target (⊙annual)	Baseline Value	2016 Target (⊙annual)
297. Operations aligned with country results frameworks (%)	2012	94	90	100	90
308. Sovereign operations using country systems (%)	2012	59	Above baseline	47	Above baseline

ADB = Asian Development Bank, ADF = Asian Development Fund.

Note: Shading in cells indicates the column head does not apply.

Legend: ⊙ = annual target

^a Quality-at-entry assessments of country partnership strategies and sovereign projects are conducted every 2 years. The target will be applied on the year of assessment.

Source: ADB. 2014. *ADB's Results Framework: Interim Update to Align with the Midterm Review of Strategy 2020*. Manila.

Table A1.4: ADB Organizational Management (Level 4)

Indicators	Baseline Year	ADB	
		Baseline Value	2016 Target (⊙annual)
Human Resources (sufficient staff resources maintained, and staff motivation and diversity increased)			
1. Budgeted international and national staff in operations departments (%)	2010–2012	56	55⊙
2. Representation of women in the international staff category (%)	2012	34	37
3. Staff engagement (index)	2012	86	87⊙ ^a
Budget Resources (budget efficiency and adequacy improved)			
4. Internal administrative expenses per \$1 million disbursement (\$'000)	2010–2012 ^b	59	56.1–57.2
5. Share of operational expenses for portfolio management (% of total operational expenses attributable to portfolio management and processing of operations)	2012	59.8	62–64

Indicators	Baseline Year	ADB Operations		ADF Operations	
		Baseline Value	2016 Target (⊙annual)	Baseline Value	2016 Target (⊙annual)
Process Efficiency and Client Orientation (business process efficiency and client orientation improved)					
6. Sovereign operations administered with substantial resident mission involvement (%)	2012	69	80	70	80
7. Sovereign operations processing time (from start of loan fact-finding to Board approval, months)	2012	8.0	6⊙	6.8	6.0⊙
8. Nonsovereign operations processing time (from start of due diligence to Board approval, months)	2012	8.0	Maintain⊙		
9. Processing time for procurement contracts for sovereign operations (more than \$10 million, days)	2012	72	40	64	40

ADB = Asian Development Bank, ADF = Asian Development Fund.

Note: Shading in cells indicates the column head does not apply.

Legend: ⊙ = annual target

^a The staff engagement survey is conducted every 2 to 3 years. The target will be applied on the year of the survey.

^b The indicator on internal administrative expenses per \$1 million disbursement (\$'000) is reported annually; its baseline year is 2012.

Source: ADB. 2014. *ADB's Results Framework: Interim Update to Align with the Midterm Review of Strategy 2020*. Manila.

**TRANSITIONAL RESULTS FRAMEWORK, 2017–2020:
CHANGES, RATIONALE, AND SOURCES OF DATA AND TARGETS**

Indicator	ADB Operations	ADF Operations	ADB Operations Overall ^a	Operations Financed by Concessional OCR Loans and ADF Grants ^a	Change, Rationale, and Sources of Data and Targets ^b
	2016 Target (⊙annual)		2020 Target (⊙annual)		
Level 1: Development Progress in Asia and the Pacific^c					
Poverty (income and non-income)					
1.	Proportion of the population below the international poverty line (%)				<p>Indicator: RENAME the current indicator: “Population living on less than \$1.25 (PPP) per day (%)” to align with the SDGs. The “international poverty line” is set at \$1.90 a day at 2011 international prices.</p> <p>Source: World Bank Development Research Group PovcalNet. http://iresearch.worldbank.org/PovcalNet/index.htm</p>
2.	Annual growth rate of real GDP per capita (%)				<p>Indicator: RENAME the current indicator: “GDP per capita growth rate (%)” to align with the SDGs.</p> <p>Sources: World Bank, World Development Indicators. http://data.worldbank.org/data-catalog/world-development-indicators; UN, SDG Indicators Metadata Repository.</p>
3.	Growth rates of household expenditure or income per capita (%)				<p>Indicator: REPLACE the current indicator: “Countries with high income inequality (% of countries with Gini coefficient exceeding 0.4)” to align with the SDGs.</p> <p>Source: ADB estimates using data from World Bank, Povcalnet. http://iresearch.worldbank.org/PovcalNet/home.aspx</p>
	– Bottom 40%				
	– Total population				

Indicator	ADB Operations	ADF Operations	ADB Operations Overall ^a	Operations Financed by Concessional OCR Loans and ADF Grants ^a	Change, Rationale, and Sources of Data and Targets ^b
	2016 Target (⊙annual)		2020 Target (⊙annual)		
4. Wage and salaried workers in total employment (%) – Female – Male					Indicator: RETAIN. Source: International Labour Organization. Key Indicators of Labor Market online database. http://www.ilo.org/empelm/what/WCMS_114240/lang--n/index.htm
5. Prevalence of stunting among children under 5 years of age (%)					Indicator: REPLACE the current indicator: “Underweight children under 5 years old (%)” to align with the SDGs. Source: UNICEF Data: Monitoring the Situation of Children and Women. http://data.unicef.org/topic/nutrition/malnutrition/
6. Under-5 mortality rate (deaths per 1,000 live births) – Female – Male					Indicator: RENAME the current indicator: “Under-5 child mortality (number per 1,000 live births)” to align with the SDGs. Source: United Nations, SDG Indicators Global Database. http://unstats.un.org/sdgs/indicators/database/
7. Gender parity index in education – Secondary 8. – Tertiary					Indicator: RENAME the current indicator: “Ratio of girls to boys in education” to align with SDGs. Source: United Nations, SDG Indicators Global Database. http://unstats.un.org/sdgs/indicators/database/
9. Gross lower secondary education graduation rate (%) – Female – Male					Indicator: RETAIN. Source: United Nations Educational, Scientific and Cultural Organization Institute of Statistics. http://stats.uis.unesco.org/unesco/ReportFolders/ReportFolders.aspx http://stats.uis.unesco.org/unesco/ReportFolders/ReportFolders.aspx

Indicator	ADB Operations	ADF Operations	ADB Operations Overall ^a	Operations Financed by Concessional OCR Loans and ADF Grants ^a	Change, Rationale, and Sources of Data and Targets ^b
	2016 Target (©annual)		2020 Target (©annual)		
10. Maternal deaths per 100,000 live births (number)					<p>Indicator: RENAME the current indicator: “Maternal mortality ratio (number per 100,000 live births)” to align with the SDGs.</p> <p>Source: United Nations, SDG Indicators Global Database. http://unstats.un.org/sdgs/indicators/database/</p>
Other Development Outcomes					
11. Paved roads (kilometers per 10,000 people)					<p>Indicator: RETAIN.</p> <p>Sources: World Bank. World Development Indicators online database. http://databank.worldbank.org/ddp/home.do</p> <p>International Road Federation. World Road Statistics. http://www.irfnet.org/statistics.php</p>
12. Proportion of population with access to electricity (%)					<p>Indicator: RENAME the current indicator: “Electrification rate (%)” to align with the SDGs.</p> <p>Source: International Energy Agency. World Energy Outlook. http://www.worldenergyoutlook.org/</p>
13. Proportion of adults (15 years and older) with an account at a bank or other financial institution or with a mobile money service provider (%)					<p>Indicator: REPLACE the current indicator: “Deposit accounts in financial institutions (number per 1,000 adults)” to align with the SDGs.</p> <p>Source: World Bank, Global Financial Inclusion Database. http://datatopics.worldbank.org/financialinclusion/</p>
Proportion of population using safely managed					<p>Indicator: RENAME the current indicator: “Population using an improved drinking water source (%)” to align with the SDGs.</p>

Indicator	ADB Operations	ADF Operations	ADB Operations Overall ^a	Operations Financed by Concessional OCR Loans and ADF Grants ^a	Change, Rationale, and Sources of Data and Targets ^b
	2016 Target (⊙annual)		2020 Target (⊙annual)		
14. drinking water services (%) 15. – Rural – Urban					Source: United Nations, SDG Indicators Global Database. http://unstats.un.org/sdgs/indicators/database/
16. Proportion of population using safely managed sanitation services, including handwashing facility with soap and water (%) 17. – Rural – Urban					Indicator: RENAME the current indicator: “Population using an improved sanitation facility (%)” to align with the SDGs. Source: United Nations, SDG Indicators Global Database. http://unstats.un.org/sdgs/indicators/database/
18. Governance and public sector management assessment (index)					Indicator: RETAIN. Source: ADB’s annual report on country performance assessment exercises, SPD.
19. Time to start business (days)					Indicator: RETAIN. Source: International Finance Corporation and the World Bank. Doing Business online database. http://www.doingbusiness.org/data
20. Intraregional trade in total Asia and Pacific trade (%)					Indicator: RETAIN. Sources: International Monetary Fund Direction of Trade Statistics, CEIC Database for Taipei, China data, and ADB’s Asia Regional Integration Center Office of Regional Economic Integration.

Indicator	ADB Operations	ADF Operations	ADB Operations Overall ^a	Operations Financed by Concessional OCR Loans and ADF Grants ^a	Change, Rationale, and Sources of Data and Targets ^b
	2016 Target (©annual)		2020 Target (©annual)		
21. Forest area as a proportion of total land area (%)					<p>Indicator: RENAME the current indicator: “Land area covered by forests (%)” to align with the SDGs.</p> <p>Source: United Nations, SDG Indicators Global Database. http://unstats.un.org/sdgs/indicators/database/</p>
22. CO ₂ emission per unit of value added (kg per PPP \$ of GDP)					<p>Indicator: REPLACE “CO₂ emissions (metric tons per capita)” to align with the SDGs.</p> <p>Source: World Bank, World Development Indicators. http://data.worldbank.org/data-catalog/world-development-indicators</p>
Level 2: ADB’s Contributions to Development Results					
Quality at Completion (country assistance programs successfully completed)					
1. Completed country strategies and assistance programs rated <i>successful</i> (%)	80	80	80	80	<p>Indicator: RETAIN.</p> <p>Target: RETAIN. The target reflects ADB’s commitment to achieve development outcomes and the below-target performance in 2014–2016.</p> <p>Source: 2014 update of the Results Framework (p. iv).^d</p>
2. Completed sovereign operations rated <i>successful</i> (%): Projects	80	80	80	80	<p>Indicator: RETAIN.</p> <p>Targets: RETAIN. The targets reflect ADB’s commitment to achieve development outcomes and the below-target performance in 2014–2016.</p> <p>Source: 2014 update of the Results Framework (p. iv).^d</p>
3. Policy-based operations	80	80	80	80	

Indicator	ADB Operations	ADF Operations	ADB Operations Overall ^a	Operations Financed by Concessional OCR Loans and ADF Grants ^a	Change, Rationale, and Sources of Data and Targets ^b
	2016 Target (⊙annual)		2020 Target (⊙annual)		
4. Completed sovereign operations rated <i>likely sustainable</i> (%)	80	80	80	80	<p>Indicator: RETAIN. The definition of the indicator: Completed sovereign operations rated <i>likely sustainable</i> is modified to include <i>less than successful</i> operations rated <i>likely</i> or <i>most likely sustainable</i>, to harmonize with the Independent Evaluation Department's approach for estimating sustainable operations.</p> <p>Target: RETAIN. The target reflects ADB's commitment to achieve development outcomes and the below-target performance in 2014–2016.</p> <p>Source: 2014 update of the Results Framework (p. iv).^d</p>
5. Completed nonsovereign operations rated <i>successful</i> (%)	80		80		<p>Indicator: RETAIN.</p> <p>Target: RETAIN. The target reflects ADB's commitment to achieve development outcomes and the below-target performance in 2014–2016.</p> <p>Source: 2014 update of the Results Framework (p. iv).^d</p>
6. Completed technical assistance projects rated <i>successful</i> (%)	80	80	80	80	<p>Indicator: RETAIN.</p> <p>Target: RETAIN. The target reflects ADB's commitment to achieve development outcomes.</p> <p>Source: 2014 update of the Results Framework (p. iv).^d</p>
7. Completed sovereign operations delivering	70	70	70	70	<p>Indicator: RETAIN.</p>

Indicator	ADB Operations	ADF Operations	ADB Operations Overall ^a	Operations Financed by Concessional OCR Loans and ADF Grants ^a	Change, Rationale, and Sources of Data and Targets ^b	
	2016 Target (⊙annual)		2020 Target (⊙annual)			
intended gender equality results (%)					<p>Target: RETAIN. The target reflects the effort needed to maintain this high level of performance across ADB operations.</p> <p>Source: 2014 update of the Results Framework (p. iv).^d</p>	
Core Operational Results (results in Strategy 2020 core operational areas achieved)						
8.–30.	85 or above ⊙	85 or above ⊙	85 or above ⊙	85 or above ⊙	<p>Indicators: RETAIN.</p> <p>Target: RETAIN. This target is higher than the target for quality at completion (80%), reflecting the greater influence ADB has over delivery of outputs and outcome achievement, compared with overall quality at completion, which includes efficiency and sustainability.</p> <p>Source: 2014 update of the Results Framework (pp. iv–v).^d</p>	
Level 3: ADB’s Operational Management						
Implementation Quality (operations satisfactorily implemented)						
1.	Performance of sovereign operations at implementation rated <i>satisfactory</i> (%)	85⊙	85⊙	85⊙	85⊙	<p>Indicator: RETAIN.</p> <p>Target: RETAIN. The target recognizes the need to continue to encourage staff to identify risks proactively and to maintain focus on implementation quality.</p> <p>Source: 2014 update of the Results Framework (p. vi).^d</p>
2.	Performance of nonsovereign operations at	95⊙		95⊙		<p>Indicator: RETAIN.</p>

Indicator	ADB Operations	ADF Operations	ADB Operations Overall ^a	Operations Financed by Concessional OCR Loans and ADF Grants ^a	Change, Rationale, and Sources of Data and Targets ^b
	2016 Target (⊙annual)		2020 Target (⊙annual)		
implementation, credit rated <i>satisfactory</i> (%)					Target: RETAIN. The target recognizes the need to continue to encourage staff to identify risks proactively and to maintain focus on implementation quality. Source: 2014 update of the Results Framework (p. vi). ^d
3. Time from approval to first contract in sovereign projects (months)	9.0	9.0	9.0	9.0	Indicator: RETAIN. The original definition is retained, as the indicator measures efficiency of internal processes. Target: RETAIN. The target reflects ADB's commitment to improve project readiness and minimize start-up delays. Source: 2014 update of the Results Framework (p. vi). ^d
Quality at Entry (high-quality country strategies and operations prepared)					
4. Quality at entry of country partnership strategies rated <i>satisfactory</i> (%)	90⊙	90⊙			Indicator: REMOVE. A quality-at-entry exercise in its current form is not planned, as Management has dedicated additional resources to ensuring quality before approval.
5. Quality at entry of sovereign projects rated <i>satisfactory</i> (%)	90⊙	90⊙			Indicator: REMOVE. A quality-at-entry exercise in its current form is not planned, as Management has dedicated additional resources to ensuring quality before approval.
6. Quality at entry of nonsovereign projects rated <i>satisfactory</i> (%)	90				Indicator: REMOVE. A quality-at-entry exercise in its current form is not planned, as Management has dedicated additional resources to ensuring quality before approval.

Indicator	ADB Operations	ADF Operations	ADB Operations Overall ^a	Operations Financed by Concessional OCR Loans and ADF Grants ^a	Change, Rationale, and Sources of Data and Targets ^b		
	2016 Target (©annual)		2020 Target (©annual)				
7. Quality at entry of country partnership strategies in supporting inclusive economic growth rated <i>satisfactory</i> (%)	90	90	90	90	<p>Indicator: RETAIN.</p> <p>Target: RETAIN, as an alternative source of data is available.</p> <p>Source: 2014 update of the Results Framework (p. vi).^d</p>		
8. Infrastructure projects that are procurement ready (%)	40		40		<p>Indicator: RETAIN. The original definition is retained, as the indicator measures the efficiency of internal processes.</p> <p>Target: RETAIN. The target reflects fluctuations in performance on this corporate indicator (introduced in 2014) during 2013–2016 and the time needed for procurement reforms introduced under the midterm review of Strategy 2020 to take effect.</p> <p>Source: 2014 update of the Results Framework (p. vi).^d</p>		
Development Finance (development finance mobilized and transferred)							
9. Disbursement ratio for sovereign projects and results-based lending (%)	22	20	22	20	<p>Indicator: RETAIN.</p> <p>Target: RETAIN.</p> <p>The baselines are affected by the introduction of commitments as the new basis for performance measurement.</p> <p>2016 baselines:</p> <table border="1" style="width: 100%;"> <tr> <td>ADB operations overall</td> <td>20.4%</td> </tr> </table>	ADB operations overall	20.4%
ADB operations overall	20.4%						

Indicator	ADB Operations	ADF Operations	ADB Operations Overall ^a	Operations Financed by Concessional OCR Loans and ADF Grants ^a	Change, Rationale, and Sources of Data and Targets ^b		
	2016 Target (⊙annual)		2020 Target (⊙annual)				
					<table border="1"> <tr> <td>Operations financed by concessional OCR loans and ADF grants</td> <td>21.0%</td> </tr> </table> <p>Sources: Controller’s Department and 2014 update of the Results Framework (p. vi).^d</p>	Operations financed by concessional OCR loans and ADF grants	21.0%
Operations financed by concessional OCR loans and ADF grants	21.0%						
10. Disbursement ratio for nonsovereign loans (%)	Maintain⊙		Maintain⊙		<p>Indicator: RETAIN.</p> <p>Target: RETAIN. ADB’s performance on the disbursement ratio of nonsovereign loans varied significantly over the years, and the 3-year average (2014–2016) baseline of 45.7% is adopted to take account of this volatility. The annual target to “Maintain” the baseline performance will be retained for this indicator.</p> <p>Sources: Controller’s Department and 2014 update of the Results Framework (p. vi).^d</p>		
11. Direct value-added cofinancing (% of ADB financing committed)	70		100		<p>Indicator: RETAIN.</p> <p>Target: INCREASE to reflect the goal set in Strategy 2020.</p> <p>The baseline is affected by the introduction of commitments as the new basis for performance measurement.</p> <p>2014–2016 baseline:</p> <table border="1"> <tr> <td>ADB operations overall</td> <td>73.0%</td> </tr> </table> <p>Sources: Strategy 2020 para. 58 (i)^f and WPBF 2017–2019 (para. 9).^h</p>	ADB operations overall	73.0%
ADB operations overall	73.0%						

Indicator	ADB Operations	ADF Operations	ADB Operations Overall ^a	Operations Financed by Concessional OCR Loans and ADF Grants ^a	Change, Rationale, and Sources of Data and Targets ^b
12. Project development transactions for public–private partnerships (total number from 2013)	50		100		<p>Indicator: RETAIN.</p> <p>Target: INCREASE, in recognition of the strong focus on private sector operations in Strategy 2020 and its midterm review, the expanding PPP environments in ADB's DMCs, and the growing importance of leveraging development finance to achieve the SDGs.</p> <p>Source: OPPP.</p>
13. Cumulative public–private partnership leveraging achieved using ADB financing (ratio of leveraging amount to ADB financing approved)	8.0				<p>Indicator: REMOVE. The indicator on cumulative PPP leveraging achieved using ADB financing (ratio of leveraging amount to ADB financing approved) mixes different types of leveraging. Leveraging achieved using project development facilities and onlending programs is significantly greater than the leveraging impact of nonsovereign project financing lending. Good practice dictates that such varied measurements should not be combined into a single indicator.</p>
Strategy 2020 Development Agendas and Operations (ADB operations focused on strategic agendas and operational areas)					
Operations contributing to inclusive economic growth focusing on:					

Indicator		ADB Operations	ADF Operations	ADB Operations Overall ^a	Operations Financed by Concessional OCR Loans and ADF Grants ^a	Change, Rationale, and Sources of Data and Targets ^b									
		2016 Target (⊙annual)		2020 Target (⊙annual)											
14.	– growth and creation of jobs and opportunities (%)	Monitor	Monitor	Monitor	Monitor	<p>Indicator: RETAIN.</p> <p>Target: RETAIN. ADB will continue to monitor performance on indicators corresponding to Pillars 1 and 2 of inclusive economic growth without a specific target.</p> <p>The baseline is affected by the introduction of commitments as the new basis for performance measurement.</p> <p>2014–2016 baselines:</p> <table border="1"> <thead> <tr> <th></th> <th>Pillar 1</th> <th>Pillar 2</th> </tr> </thead> <tbody> <tr> <td>ADB operations overall</td> <td>37%</td> <td>61%</td> </tr> <tr> <td>Operations financed by concessional OCR loans and ADF grants</td> <td>36%</td> <td>63%</td> </tr> </tbody> </table>		Pillar 1	Pillar 2	ADB operations overall	37%	61%	Operations financed by concessional OCR loans and ADF grants	36%	63%
	Pillar 1	Pillar 2													
ADB operations overall	37%	61%													
Operations financed by concessional OCR loans and ADF grants	36%	63%													
15.	– inclusive access to jobs and opportunities (%)	Monitor	Monitor	Monitor	Monitor	<p>Sources: SPD and 2014 update of the Results Framework (p. vi and paras. 16 and 17).^d</p> <p>Indicator: RETAIN.</p> <p>Target: RETAIN. The target reflects the emphasis given to social protection in the midterm review of Strategy 2020.</p> <p>The baseline is affected by the introduction of commitments as the new basis for performance measurement.</p> <p>2014–2016 baselines:</p> <table border="1"> <tbody> <tr> <td>ADB operations overall</td> <td>6.0%</td> </tr> </tbody> </table>	ADB operations overall	6.0%							
ADB operations overall	6.0%														
16.	– social protection (%)	Above baseline	Above baseline	Above baseline	Above baseline	<p>Indicator: RETAIN.</p> <p>Target: RETAIN. The target reflects the emphasis given to social protection in the midterm review of Strategy 2020.</p> <p>The baseline is affected by the introduction of commitments as the new basis for performance measurement.</p> <p>2014–2016 baselines:</p> <table border="1"> <tbody> <tr> <td>ADB operations overall</td> <td>6.0%</td> </tr> </tbody> </table>	ADB operations overall	6.0%							
ADB operations overall	6.0%														

Indicator	ADB Operations	ADF Operations	ADB Operations Overall ^a	Operations Financed by Concessional OCR Loans and ADF Grants ^a	Change, Rationale, and Sources of Data and Targets ^b				
	2016 Target (©annual)		2020 Target (©annual)						
					<table border="1"> <tr> <td>Operations financed by concessional OCR loans and ADF grants</td> <td>7.1%</td> </tr> </table> <p>Sources: SPD, the 2014 update of the Results Framework (p. vi and para. 17),^d and midterm review of Strategy 2020 (paras. 21 and 75).^e</p>	Operations financed by concessional OCR loans and ADF grants	7.1%		
Operations financed by concessional OCR loans and ADF grants	7.1%								
17. Operations supporting environmental sustainability (%)	50	40	55	55	<p>Indicator: RETAIN.</p> <p>Target: INCREASE to improve alignment of operations with one of the three strategic agendas under Strategy 2020—environmentally sustainable growth.</p> <p>The baseline is affected by the introduction of commitments as the new basis for performance measurement.</p> <p>2014–2016 baselines:</p> <table border="1"> <tr> <td>ADB operations overall</td> <td>57%</td> </tr> <tr> <td>Operations financed by concessional OCR loans and ADF grants</td> <td>56%</td> </tr> </table> <p>Sources: SDCC and SPD.</p>	ADB operations overall	57%	Operations financed by concessional OCR loans and ADF grants	56%
ADB operations overall	57%								
Operations financed by concessional OCR loans and ADF grants	56%								
18. Operations supporting climate change mitigation and/or adaptation (%)	45	35	45	35	<p>Indicator: RETAIN.</p> <p>Target: RETAIN. The target reflects the time needed to mainstream this type of operation. The target for the concessional assistance subset reflects the ADF–OCR merger and the graduation of some DMCs from access to concessional OCR loans and ADF grants.</p>				

Indicator		ADB Operations	ADF Operations	ADB Operations Overall ^a	Operations Financed by Concessional OCR Loans and ADF Grants ^a	Change, Rationale, and Sources of Data and Targets ^b		
		2016 Target (⊙annual)		2020 Target (⊙annual)				
19.	Operations supporting regional cooperation and integration (%)	25	25	30		<p>Source: 2014 update of the Results Framework (p. vi and para. 24).^d</p> <p>Indicator: RETAIN.</p> <p>Target: INCREASE in line with the 30% target set in the midterm review of Strategy 2020.</p> <p>The baseline is affected by the introduction of commitments as the new basis for performance measurement.</p> <p>2014–2016 baseline:</p> <table border="1"> <tr> <td>ADB operations overall</td> <td>24%</td> </tr> </table> <p>Sources: SPD, Strategy 2020 (paras. 47 and 57 (iv))^f, 2014 update of the Results Framework (p. vi and para 25),^d and midterm review of Strategy 2020 (paras. 15 and 92).^e</p>	ADB operations overall	24%
ADB operations overall	24%							
20.	Financing for Strategy 2020 core operational areas (%)	80⊙		80⊙		<p>Indicator: RETAIN.</p> <p>Target: RETAIN. The target reflects the commitment stated in Strategy 2020.</p> <p>The baseline is affected by the introduction of commitments as the new basis for performance measurement.</p> <p>2014–2016 baseline:</p> <table border="1"> <tr> <td>ADB operations overall</td> <td>87%</td> </tr> </table> <p>Sources: SPD and the 2014 update of the Results Framework (p. vi and para 31).^d</p>	ADB operations overall	87%
ADB operations overall	87%							

Indicator	ADB Operations	ADF Operations	ADB Operations Overall ^a	Operations Financed by Concessional OCR Loans and ADF Grants ^a	Change, Rationale, and Sources of Data and Targets ^b		
	2016 Target (©annual)		2020 Target (©annual)				
Financing for education (%)	4.7–10.0		6.0–10.0		<p>Indicator: RETAIN.</p> <p>Target: INCREASE in line with the target in the midterm review of Strategy 2020.</p> <p>The baseline is affected by the introduction of commitments as the new basis for performance measurement.</p> <p>2014–2016 baseline:</p> <table border="1"> <tr> <td>ADB operations overall</td> <td>4.9%</td> </tr> </table> <p>Sources: SPD, 2014 update of the Results Framework (p. vi and para 18),^d midterm review of Strategy 2020 (para. 73).^e</p>	ADB operations overall	4.9%
ADB operations overall	4.9%						
21. Financing for health (%)	1.5–5.0		3.0–5.0		<p>Indicator: RETAIN.</p> <p>Target: INCREASE in line with the target in the midterm review of Strategy 2020.</p> <p>The baseline is affected by the introduction of commitments as the new basis for performance measurement.</p> <p>2014–2016 baseline:</p> <table border="1"> <tr> <td>ADB operations overall</td> <td>1.4%</td> </tr> </table> <p>Sources: SPD and midterm review of Strategy 2020 (para. 74).^e</p>	ADB operations overall	1.4%
ADB operations overall	1.4%						
Strategy 2020 Drivers of Change (ADB operations promote drivers of change)							

Indicator	ADB Operations	ADF Operations	ADB Operations Overall ^a	Operations Financed by Concessional OCR Loans and ADF Grants ^a	Change, Rationale, and Sources of Data and Targets ^b				
	2016 Target (⊙annual)		2020 Target (⊙annual)						
22. Operations supporting private sector development and private sector operations (%)	40	40	50	50	<p>Indicator: RETAIN.</p> <p>Target: INCREASE in line with the commitments in Strategy 2020.</p> <p>The baseline is affected by the introduction of commitments as the new basis for performance measurement.</p> <p>2014–2016 baselines:</p> <table border="1"> <tr> <td>ADB operations overall</td> <td>51%</td> </tr> <tr> <td>Operations financed by concessional OCR loans and ADF grants</td> <td>42%</td> </tr> </table> <p>Sources: SPD and Strategy 2020 (paras. 31 and 57 (ii)).^f</p>	ADB operations overall	51%	Operations financed by concessional OCR loans and ADF grants	42%
ADB operations overall	51%								
Operations financed by concessional OCR loans and ADF grants	42%								
23. Financing for private sector operations (% of regular OCR commitments)	20		20		<p>Indicator: RETAIN.</p> <p>Target: MODIFY. The 2020 target of 25% was set in the midterm review of Strategy 2020 based on approvals. Given the shift to commitments, historical trends in droppages in nonsovereign operations, and projected growth of commitments for private sector operations up to 2020, the target is modified to 20%.</p> <p>The baseline is affected by the introduction of commitments as the new basis for performance measurement.</p> <p>2014–2016 baseline:</p> <table border="1"> <tr> <td>ADB operations overall</td> <td>15.1%</td> </tr> </table>	ADB operations overall	15.1%		
ADB operations overall	15.1%								

Indicator		ADB Operations	ADF Operations	ADB Operations Overall ^a	Operations Financed by Concessional OCR Loans and ADF Grants ^a	Change, Rationale, and Sources of Data and Targets ^b				
		2016 Target (⊙annual)		2020 Target (⊙annual)						
						Sources: SPD and midterm review of Strategy 2020 (para. 111). ^e				
24.	Operations supporting governance and/or capacity development (%)	Above baseline⊙	Above baseline⊙	Above baseline⊙	Above baseline⊙	<p>Indicator: RETAIN.</p> <p>Target: RETAIN. Higher baselines reflect ADB's commitment to governance and capacity development, a driver of change under Strategy 2020.</p> <p>The baseline is affected by the introduction of commitments as the new basis for performance measurement.</p> <p>2014–2016 baselines:</p> <table border="1"> <tr> <td>ADB operations overall</td> <td>72%</td> </tr> <tr> <td>Operations financed by concessional OCR loans and ADF grants</td> <td>86%</td> </tr> </table> <p>Sources: SPD and 2014 update of the Results Framework (p. vi).^d</p>	ADB operations overall	72%	Operations financed by concessional OCR loans and ADF grants	86%
ADB operations overall	72%									
Operations financed by concessional OCR loans and ADF grants	86%									
25.	Operations supporting gender mainstreaming (%)	45	55	50	55	<p>Indicator: RETAIN.</p> <p>Target: INCREASE the target for ADB operations overall to 50% and RETAIN the target for operations financed by concessional OCR loans and ADF grants at 55%. The targets reflect ADB's commitment to narrow gender disparities and the need to focus more on the quality of gender mainstreaming.</p>				

Indicator	ADB Operations	ADF Operations	ADB Operations Overall ^a	Operations Financed by Concessional OCR Loans and ADF Grants ^a	Change, Rationale, and Sources of Data and Targets ^b				
	2016 Target (⊙annual)		2020 Target (⊙annual)						
					<p>The baseline is affected by the introduction of commitments as the new basis for performance measurement.</p> <p>2014–2016 baselines:</p> <table border="1"> <tr> <td>ADB operations overall</td> <td>48%</td> </tr> <tr> <td>Operations financed by concessional OCR loans and ADF grants</td> <td>53%</td> </tr> </table> <p>Sources: Gender Equity Thematic Group and SPD.</p>	ADB operations overall	48%	Operations financed by concessional OCR loans and ADF grants	53%
ADB operations overall	48%								
Operations financed by concessional OCR loans and ADF grants	53%								
26. Perceived ADB performance in promoting knowledge sharing and best practices (%)	60				<p>Indicator: REMOVE.</p> <p>Data collection for this indicator is infrequent (the last survey was conducted in 2012) and new surveys are not planned.</p>				
27. Web-distributed knowledge solutions (number of downloads)	Increase⊙		Increase⊙		<p>Indicator: RETAIN.</p> <p>Target: RETAIN.</p> <p>The higher baseline level reflects ADB's emphasis on knowledge sharing and management.</p> <p>Sources: DER and 2014 update of the Results Framework (p. vi).^d</p>				
28. Civil society organizations participation in sovereign operations (% of committed operations)	90⊙	90⊙	90⊙	90⊙	<p>Indicator: RETAIN.</p> <p>Target: RETAIN. Management considers the target to be appropriate as the minimum performance standard.</p>				

Indicator	ADB Operations	ADF Operations	ADB Operations Overall ^a	Operations Financed by Concessional OCR Loans and ADF Grants ^a	Change, Rationale, and Sources of Data and Targets ^b				
	2016 Target (⊙annual)		2020 Target (⊙annual)						
					<p>The baseline is affected by the introduction of commitments as the new basis for performance measurement.</p> <p>2016 baselines:</p> <table border="1"> <tr> <td>ADB operations overall</td> <td>93%</td> </tr> <tr> <td>Operations financed by concessional OCR loans and ADF grants</td> <td>95%</td> </tr> </table> <p>Sources: SPD and the 2014 update of the Results Framework (p. vi).^d</p>	ADB operations overall	93%	Operations financed by concessional OCR loans and ADF grants	95%
ADB operations overall	93%								
Operations financed by concessional OCR loans and ADF grants	95%								
29. Operations aligned with country results frameworks (%)	90⊙	90⊙			<p>Indicator: REMOVE. Target has been reached and is likely to stay at 100%.</p>				
30. Sovereign operations using country systems (%)	Above baseline⊙	Above baseline⊙	Above baseline⊙	Above baseline⊙	<p>Indicator: RETAIN.</p> <p>Target: RETAIN. The target reflects the need to support greater use of country systems in DMCs to reduce transaction costs.</p> <p>The baseline is affected by the introduction of commitments as the new basis for performance measurement.</p> <p>2016 baselines:</p> <table border="1"> <tr> <td>ADB operations overall</td> <td>59%</td> </tr> <tr> <td>Operations financed by concessional OCR loans and ADF grants</td> <td>43%</td> </tr> </table>	ADB operations overall	59%	Operations financed by concessional OCR loans and ADF grants	43%
ADB operations overall	59%								
Operations financed by concessional OCR loans and ADF grants	43%								

Indicator	ADB Operations	ADF Operations	ADB Operations Overall ^a	Operations Financed by Concessional OCR Loans and ADF Grants ^a	Change, Rationale, and Sources of Data and Targets ^b
	2016 Target (⊙annual)		2020 Target (⊙annual)		
					Sources: SPD and 2014 update of the Results Framework (p. vii). ^d
Level 4: ADB's Organizational Management					
Human Resources (sufficient staff resources maintained, and staff motivation and diversity increased)					
1. Budgeted international and national staff in operations departments (%)	55⊙		56⊙		Indicator: RETAIN. Target: INCREASE to reflect the achievement of 56% in 2016. Management considers this percentage to be the appropriate minimum level. Source: BPMSD.
2. Representation of women in the international staff category (%)	37		38		Indicator: RETAIN. Target: INCREASE in view of the 2022 target of 40%. Source: BPMSD.
3. Staff engagement (index)	87		87		Indicator: RETAIN. Target: RETAIN. The target recognizes the need to maintain the high level (86%) achieved in 2012. Source: 2014 update of the Results Framework (p. vii). ^d
Budget Resources (budget efficiency and adequacy improved)					
4. Internal administrative expenses per \$1 million disbursement (\$'000)	56.1–57.2		43.0–50.0		Indicator: RETAIN. Target: MODIFY. The target has been modified to reflect the changing mix of lending products (an increased share of policy-based and results-based lending) since 2010; the ADF–OCR merger effective 2017, which has led to a scaling-up of operations and

Indicator	ADB Operations	ADF Operations	ADB Operations Overall ^a	Operations Financed by Concessional OCR Loans and ADF Grants ^a	Change, Rationale, and Sources of Data and Targets ^b
	2016 Target (⊙annual)		2020 Target (⊙annual)		
					<p>faster growth in disbursements; and the introduction of extensive efficiency measures in recent years. The target confirms ADB's commitment to improve overall budget efficiency.</p> <p>Source: BPMSD.</p>
5. Share of operational expenses for portfolio management (% of total operational expenses attributable to portfolio management and processing of operations)	62–64		50–60		<p>Indicator: RETAIN.</p> <p>Target: MODIFY. The target reflects ADB's commitment to improve overall budget efficiency, while ensuring that adequate resources are allocated to the supervision of operations.</p> <p>Source: BPMSD.</p>
Process Efficiency and Client Orientation (business process efficiency and client orientation improved)					
6. Sovereign operations administered with substantial resident mission involvement (%)	80	80	80	80	<p>Indicator: RETAIN.</p> <p>Target: RETAIN. The target recognizes the need to maintain and reinforce the current high levels of participation of resident mission staff in project implementation.</p> <p>Source: 2014 update of the Results Framework (p. vii).^d</p>
7. Sovereign operations processing time (from start of loan fact-finding to Board approval, months)	6⊙	6⊙	6⊙	6⊙	<p>Indicator: RETAIN. The original definition is retained, as the indicator measures efficiency of internal processes.</p> <p>Target: RETAIN. The target reflects the below-target performance in 2016 (7.1 months) and ADB's commitment to streamline business processes.</p>

Indicator	ADB Operations	ADF Operations	ADB Operations Overall ^a	Operations Financed by Concessional OCR Loans and ADF Grants ^a	Change, Rationale, and Sources of Data and Targets ^b
	2016 Target (⊙annual)		2020 Target (⊙annual)		
					Sources: 2014 update of the Results Framework (p. vii). ^d
8. Nonsovereign operations processing time (from start of due diligence to Board approval, months)	Maintain⊙		Maintain⊙		Indicator: RETAIN. The original definition is retained, as the indicator measures the efficiency of internal processes. Target: RETAIN. The target reflects the below-target performance in 2016 (9 months) and ADB's commitment to streamline business processes. Sources: PSOD and 2014 update of the Results Framework (pp. vii). ^d
9. Processing time for procurement contracts for sovereign operations (more than \$10 million, days)	40	40	40	40	Indicator: RETAIN. Target: RETAIN. The target reflects the below-target performance in 2016 (45 days) and the time needed for procurement reforms introduced in 2015, 2016, and 2017 to take effect. Sources: OSFMD and 2014 update of the Results Framework (p. vii). ^d

ADB = Asian Development Bank; ADF = Asian Development Fund; BPMSD = Budget, Personnel and Management Systems Department; DEFr = Development Effectiveness Review; DER = Department of External Relations; DMC = developing member country; ERCD = Economic Research and Regional Cooperation Department; OCO = Office of Cofinancing Operations; OCR = ordinary capital resources; OPSP = Office of Public-Private Partnerships; OSFMD = Operations Services and Financial Management Department; PPP = public-private partnership; PSOD = Private Sector Operations Department; SDG = Sustainable Development Goal; SEDI = standard explanatory data indicator; SDCC = Sustainable Development and Climate Change Department; SPD = Strategy, Policy and Review Department; WPBF = Work Program and Budget Framework.

Legend: ⊙Annual target

Notes:

1. Quality-at-entry assessments of country partnership strategies and sovereign projects were conducted every 2 years. The target was applied on the year of assessment.
2. Shading in cells indicates the column head does not apply.
3. The staff engagement survey is conducted every 2-3 years. The target is applied on the year of the survey.

- ^a The new terminology resulting from the combination of ADF lending operations with the OCR balance sheet will be applied: “ADB Operations Overall” refers to operations financed by regular OCR loans, concessional OCR loans, and ADF grants; “Operations Financed by Concessional OCR Loans and ADF Grants” is a subset of ADB Operations Overall that is financed by concessional OCR loans and ADF grants.
- ^b For Level 1 indicators, this table specifies sources of data; for Levels 2–4, it specifies sources of targets.
- ^c In the 2013–2016 results framework, selected Level 1 indicators had targets based on the Millennium Development Goals. In this transitional results framework, progress on Level 1 indicators will be indicated based on whether performance has improved, stayed constant, or regressed.
- ^d ADB. 2014. *ADB’s Results Framework: Interim Update to Align with the Midterm Review of Strategy 2020*. Manila.
- ^e ADB. 2014. *Midterm Review of Strategy 2020: Meeting the Challenges of a Transforming Asia and Pacific*. Manila.
- ^f ADB. 2008. *Strategy 2020: The Long-Term Strategic Framework of the Asian Development Bank, 2008–2020*. Manila.
- ^g ADB. 2017. *2016 Development Effectiveness Review*. Manila.
- ^h ADB. 2016. *Work Program and Budget Framework, 2017–2019*. Manila.
- Source: ADB Strategy, Policy and Review Department.

LIST OF LINKED DOCUMENTS

[http://www.adb.org/Documents/LinkedDocs/?id=2017-ADBs Transitional Results Framework, 2017-2020](http://www.adb.org/Documents/LinkedDocs/?id=2017-ADBs%20Transitional%20Results%20Framework,2017-2020)

1. Strategy 2020: The Long-Term Strategic Framework of the Asian Development Bank (2008)
2. Midterm Review of Strategy 2020: Meeting the Challenges of a Transforming Asia and Pacific (2014)
3. ADB's Results Framework: Interim Update to Align with the Midterm Review of Strategy 2020 (2014)
4. Results Framework Indicator Definitions (2017)