

STRATEGY 2030 OPERATIONAL PLANS OVERVIEW

SEPTEMBER 2019



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Strategy 2030: **Operational Plans Overview**



OPs and New Opportunities

Addressing remaining poverty and reducing inequalities







to aging

|Accelerating progress in gender equality



Transformative gender equality agenda Gender mainstre



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



Greenhouse gas mitigation



Clean air,



.... Disaster 🗪 resilience

Making cities more livable



Integrated city development



New and expanding financing

Promoting rural development and food security



Modern Modern value chains



Knowledge-intensive agriculture

Strengthening governance and institutional capacity



Tech for service delivery



 Domestic resource mobilization

Regional cooperation and integration



Spatial planning, special economic zones, value chains



Links to regional public goods

- Operational plans (OPs) have been prepared for each of the seven operational priorities to set out how and where these priorities will be operationalized.
- The OPs have been prepared by members of sector and thematic groups in collaboration with all operations and knowledge and support departments.
- The OPs are interlinked and complementary.

Operational Approaches



Using a country-focused approach



Applying differentiated approaches



Developing integrated solutions



Taking multisectoral approaches



Promoting digital development and innovative technologies



Expanding private sector operations



Developing capacity



Adding value and promoting quality infrastructure

Implementation

- "One ADB" approach should be adopted through integrated multisectoral analysis; collaboration between sovereign, nonsovereign, and PPP operations; and synergy between knowledge and financing activities.
- Interdepartmental cooperation will require deeper crosssector and cross-thematic collaboration.
- Implementation of the OPs will require wider collaboration on knowledge management to better capture tacit knowledge and transform it into lessons for design and implementation of operations.
- Delivering innovation will require deeper emphasis on becoming a knowledge bank, which will be achieved through collaboration with external organizations.
- Meeting the gap for emerging skills
- The OPs highlight areas where concessionality will be instrumental in delivering support to developing member countries.

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ABBREVIATIONS

ADB – Asian Development Bank

ADBI - Asian Development Bank Institute

CSO – civil society organization

DMC – developing member country

DOC – Department of Communications

ERCD - Economic Research and Regional Cooperation Department

FCAS – fragile and conflict-affected situations

LIC – low -income country

LMIC – lower middle-income country
OPPP – Office of Public-Private Partnership

PPP – public-private partnership PSO – private sector operations

PSOD - Private Sector Operations Department RCI - regional cooperation and integration

SDCC - Sustainable Development and Climate Change Department

SIDS - small island developing states
SOE - state-owned enterprise
STG - sector and thematic group

TA - technical assistance

INTRODUCTION

- 1. Strategy 2030 is the vision of the Asian Development Bank (ADB) for Asia and Pacific to achieve prosperity, inclusion, resilience, and sustainability. It set out what ADB should do and why, and it established seven operational priorities. Operational plans have been prepared for each operational priority to set out how and where those priorities will be operationalized.
- 2. The operational plans have been prepared by sector and thematic groups (STGs) through a collaborative and participatory process that included extensive consultations with key stakeholders within and external to ADB.² All operations and knowledge and support departments were actively involved in and contributed to their development.
- 3. This overview document provides an introduction to the operational plans by summarizing the expected activities, outcomes, and new opportunities. It also summarizes the common operational approaches derived from the guiding principles in Strategy 2030 as well as the general implementation practices that will be adopted across ADB.

A. Overview of Operational Priorities: Support for Strategy 2030

- 4. As detailed in the table on the next page, each operational plan contributes to the four Strategy 2030 components—prosperity, inclusion, resilience, and sustainability—and is closely aligned with Strategy 2030 principles and approaches.
- 5. The seven operational plans complement and reinforce one another, cut across all 15 major ADB sectors and themes, encompass knowledge management systems and processes, and incorporate sovereign and nonsovereign operations to varying degrees. The operational plans reflect these interlinkages to strengthen the synergies between the priorities.

¹ ADB. 2018. Strategy 2030: Achieving a Prosperous, Inclusive, Resilient, and Sustainable Asia and the Pacific. Manila.

² Sector groups comprise education, energy, finance, health, transport, urban, and water. Thematic groups comprise climate change and disaster risk management, governance, social development, rural development and food security, environment, regional cooperation and integration, public-private partnership, and gender equity.

B. Structure of the Plans

- 6. The operational plans build on the achievements of ADB's operations departments as well as existing and ongoing sector and thematic operational plans. They all follow the same basic outline in the following sections:
 - (i) strategic operational priorities, which encompass an overview of ADB's experience and initiatives, key trends, and opportunities and challenges;
 - (ii) operational approaches, which establish expected outcomes, strategic directions, likely activities, and the expected linkages across sectors and themes;
 - (iii) implementation, which describes the implications for programming, interdepartmental cooperation arrangements, strategic partnerships, and monitoring and reporting arrangements;
 - (iv) Strategy 2030 operational priority results, which include indicators with achievement rate targets for the expected outcomes; and
 - (v) appendixes, which include a matrix depicting the contributions of each STG, key elements of interdepartmental cooperation, and knowledge products and services.

Operational Plan Alignment to Strategy 2030

	Contribution to Strategy 2030 Component				
Operational Plan	Prosperous	Inclusive	Resilient	Sustainable	
Addressing remaining poverty and reducing inequalities	Human capital and quality jobs	Support for SMEs, inclusive business, and inclusive finance	Social protection	Lifetime health and learning	
Accelerating progress in gender equality	Women's economic empowerment and time poverty reduction	Gender equality in education, health, social protection, and decision making	Targeted assistance for crisis response and preparedness	Country capacity for accelerating gender equality	
Tackling climate change, building climate and disaster resilience, and enhancing environmental sustainability	Investment in natural capital and low- carbon, resilient development	Reduced vulnerability of poor people and communities	Integrated social, ecological, financial, and physical aspects	Multiple optimized benefits in the context of the SDGs	
Making cities more livable	Improved city competitiveness	Equal access to opportunities	Adaptation to reduce risks	More efficient resource use and reuse	
Promoting rural development and food security	Improved agricultural value chains	Enhanced market connectivity for all	Climate-resilient agriculture practices	Increased productivity and resource use efficiency	
Strengthening governance and institutional capacity	Better public finance and capital markets	Effective service delivery for all	More fiscal space to respond to shocks	Stronger country systems for integrity	
Fostering regional cooperation and integration	Higher trade volume and value	Connectivity and diverse opportunities	Collective action on standards	Management of public goods in emissions and resources	

SDG = Sustainable Development Goal, SME = small and medium-sized enterprise. Source: Asian Development Bank.

STRATEGIC OPERATIONAL PRIORITIES

7. Each operational plan has identified (i) strategic priorities that will guide ADB operations and (ii) new opportunities to implement Strategy 2030 through innovative project designs, knowledge mechanisms, and financing products.

A. Addressing Remaining Poverty and Reducing Inequalities

- 8. ADB will prioritize support for lagging areas and vulnerable populations to reduce inequalities in access to opportunities; expand investment in human capital through interventions in education, universal health coverage, and social protection; and help generate quality jobs to support inclusive growth.
- 9. New opportunities include strengthening collaboration across ADB on crosscutting topics such as the future of work, improving service delivery through new technologies, and adapting to aging societies. ADB will enhance interdepartmental collaboration to improve diagnostics, develop country and sector strategies, and strengthen monitoring; and strengthen the private sector's role in developing human capital.

B. Accelerating Progress in Gender Equality

- 10. ADB will support women's economic empowerment; promote gender equality in human development, decision making, and leadership; work to reduce women's time poverty; and help increase women's resilience to external shocks.
- 11. New opportunities exist in the crosscutting focus on the transformative gender equality agenda in line with Sustainable Development Goal 5 and increased focus on gender mainstreaming in the private sector enabled by the introduction of a new corporate target for nonsovereign operations. ADB will continue to tackle multifaceted gender inequalities through integrated solutions, pilot projects, and technical assistance (TA). For example, a livable cities program could help provide women with (i) affordable housing and secure tenure, (ii) safer toilets and bright streetlights in slum development, (iii) more affordable and safer mobility to work and essential services through public transport investments, (iv) job and business opportunities through small and medium-sized enterprises, (v) technical and vocational education and training, (vi) better health through improved air quality, and (vii) opportunities to actively contribute to urban planning and governance.

C. Tackling Climate Change, Building Climate and Disaster Resilience, and Enhancing Environmental Sustainability

- 12. ADB will mainstream climate change, disaster risk, and environmental considerations in its operational strategies, country programming, and projects. Ambitious new targets will drive the delivery of the climate change aspects of this operational plan, ensuring that ADB strategies and operations help mitigate greenhouse gas emissions in line with the objectives of the Paris Agreement, while forging a comprehensive approach to building climate and disaster resilience.³ Integrated approaches will also be deployed to enhance environmental sustainability.
- 13. New opportunities include reducing greenhouse gas emissions from land use; applying a comprehensive approach to strengthening climate and disaster resilience; implementing integrated approaches for air quality, water, and waste management; improving resource use efficiency and management of natural capital, including healthy marine environments; pilot-testing emerging approaches to climate and green finance; addressing linkages among water, food, and energy security needs; and strengthening the role of the private sector and civil society organizations (CSOs).

D. Making Cities More Livable

- 14. ADB will continue implementing the 3Es (equity, economy, and environment) approach to transform the cities of Asia and the Pacific into competitive, green, inclusive, and resilient cities. ADB will work to improve the accessibility, quality, and reliability of services in urban areas; strengthen urban planning and financial sustainability of cities; and improve cities' environment, climate resilience, and disaster management.
- 15. New opportunities include supporting integrated city development with multisector projects or programmatic approaches; augmenting infrastructure investments with soft activities, including policy reforms, capacity development, institutional strengthening, and knowledge management; exploring new and expanding existing financing for investment and operations; promoting high-level technologies, such as intelligent transport systems; preparing integrated urban plans; and promoting climate-resilient urban infrastructure and service delivery.

E. Promoting Rural Development and Food Security

16. ADB will help transform agriculture and food supply systems to achieve higher incomes for farmers, provide safe and nutritious food to consumers, and spur economic growth in rural areas. ADB will support rural development through better connectivity and services; help build agriculture value chains with market infrastructure; and improve food security through better irrigation, farm inputs, and capacity building.

³ United Nations Framework Convention on Climate Change. The Paris Agreement.

17. New opportunities include developing modern agriculture value chains; building better rural-urban connectivity; improving food safety through enhanced policy and regulatory frameworks, standards, and certification; promoting climate-smart and knowledge-intensive agriculture; enhancing water service delivery and efficiency; improving access to rural finance; providing off-grid energy access; and improving rural health and education.

F. Strengthening Governance and Institutional Capacity

- 18. ADB will help improve public sector management functions and financial stability through increased support for domestic resource mobilization and management reforms; enhance governance with a focus on institutional capacity for service delivery at all levels of government, including support for state-owned enterprises (SOEs); and strengthen country systems and standards to promote more effective, timely, corruption-free, and citizen-centric delivery of public services.
- 19. New opportunities include promoting the use of digital technology for improved delivery and accountability of public services, enhancing the capacity of public institutions to deliver quality public services, strengthening domestic resource mobilization, promoting an enabling environment for private sector development, increasing attention to SOEs, and placing greater emphasis on country systems and standards. Greater engagement with CSOs and youths will be sought for the design and implementation of service delivery operations.

G. Fostering Regional Cooperation and Integration

- 20. ADB will help build a region where countries interact with each other and with the rest of the world through greater and higher-quality connectivity among economies, expanded global and regional trade and investment opportunities, and increased and diversified regional public goods.
- 21. New opportunities include fostering the introduction and application of new, innovative, and greener technology into cross-border development contexts; improving soft infrastructure for connectivity, focusing on mitigating inequality and climate change across the region to address cross-border development externalities; increasing nonsovereign and inter-subregional operations; and engaging a wider range of regional cooperation and integration (RCI) initiatives, while maintaining ADB's established RCI subregional programs as the leading mechanism.

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COMMON OPERATIONAL APPROACHES

22. The seven operational plans differ in many ways but have some common considerations.

A. Using a Country-Focused Approach

23. When preparing country partnership strategies, regional departments will identify specific areas where ADB can add value and reinforce government, private sector, and CSO activities. The country-focused approach is a key principle to ensure proper assessment and understanding of specific developing member country (DMC) situations; strengthen country ownership through mutually agreed interventions, including knowledge solutions; and build on local, national, regional, and global partnerships. Selectivity will be ensured by analyzing DMC development needs against ADB's comparative advantages, and planning for long-term engagement. Identifying and designing high-quality operations that are aligned with strategic priorities while maximizing development impact is a high priority.

B. Applying Differentiated Approaches

24. The operational plans identify differentiated approaches across fragile and conflict-affected situations (FCAS), small island developing states (SIDS), low-income countries (LICs) and lower middle-income countries (LMICs), and upper middle-income countries. ADB will diagnose diverse client needs and develop specific country, regional, and context-level approaches across the country groups where the policy environment and the institutional capacity of governments and the private sector differ. ADB will also shift more TA resources to LICs, LMICs, FCAS, and SIDS. In FCAS, the focus will be on strengthening state capacity to enable basic service delivery, supported by the new FCAS Unit to be established in ADB's Sustainable Development and Climate Change Department (SDCC).⁴ In SIDS, ADB will support the use of flexible instruments to mobilize resources, promote more private sector investments, and continue strengthening institutional capacity. In LICs and LMICs, ADB will work toward improving country systems, reform of SOEs, and promote greater private sector participation in service delivery. In upper middle-income countries, ADB will focus on implementation of global best practices, disseminate advanced knowledge and technologies, and promote RCI through more focused TA.

The FCAS Unit will develop a new corporate FCAS approach paper in line with Strategy 2030, provide support and introduce global best practices to the operations departments, oversee results monitoring and reporting, and work closely with other multilateral and bilateral development partners.

C. Delivering Integrated Solutions

25. The complexity of development challenges in the region requires ADB to bring together expertise and knowledge in a range of areas across the institution to effectively implement the operational plans. ADB's operational objectives and support for upstream public policies and reforms in DMCs will be aligned with downstream projects and TA, consider the need to create enabling environments, and advance against more than one operational priority at a time. Many solutions will require the consideration of sovereign and nonsovereign projects, and public–private partnerships (PPPs).

D. Taking Multisector Approaches

26. Considering the crosscutting and complex nature of the priorities, an integrated multidimensional approach to complement sector planning and implementation practices, and to counter sector-by-sector silo thinking, is required within ADB. Based on specific DMC needs, ADB support will include an appropriate mix of interventions in various sector and thematic areas. To deliver the operational plan on making cities livable, for example, almost all sectors and themes will be involved in multisector projects or programmatic approaches through physical capital investments (e.g., transport, water, and energy infrastructure) and human capital investments (e.g., social protection, health care, and education), working with partners in the long run.

E. Promoting Digital Development and Innovative Technologies

- 27. ADB will proactively pursue development opportunities from the emerging digital economy and will increase the effective use of digital technology in its operations. ADB's digital strategy for development will facilitate innovations in operations through knowledge partnerships and capacity building activities, focus on crosscutting areas to promote digital technologies, and deliver integrated solutions through cross-sector and cross-thematic collaboration on digital development. As digital technology is inherently crosscutting in nature, the Digital Technology for Development Unit within the SDCC will support operations in coordination with STGs by providing advice on leveraging common digital infrastructure, keeping abreast of new technology trends and solutions, and providing training and knowledge sharing on digital technologies for development.
- 28. The operational plans also focus on ways to identify and accelerate the adoption of advanced technologies across operations, and provide policy, institutional, and capacity support to do this. ADB will conduct pilot tests and scale up successful uses of advanced technologies to enhance efficiencies and improve service delivery.

F. Expanding Private Sector Operations

29. ADB will expand its private sector operations (PSO) to reach one-third of it total operations in number by 2024, with the pursuit of development impact as the key objective. ADB will also ensure

long-term profitability and commercial sustainability of the PSO portfolio, in the context of market dynamics. PSO will be expanded and diversified in new and frontier markets, such as FCAS and SIDS.

- 30. PSO will contribute to strengthening the finance sector and capital markets, including through support for green or project bond issuances. Mobilization of private finance will be a central tenet to PSO. ADB will seek to arrange and/or facilitate third-party development financing and crowd-in private capital through its various products, including credit enhancement products and the promotion of appropriate PPPs. Close collaboration between ADB's sovereign and nonsovereign operations will be key to successfully mobilizing additional financing to implement the operational plans. For example, "One ADB" collaboration will help to deliver sovereign guarantee products that can facilitate private investment that would otherwise be impeded by credit and political risks. For ADB to be a leading solutions provider and remain competitive, it must provide tailored products and strengthen its local currency offerings in more markets.
- 31. Private sector development will be achieved with strong sovereign operations to help create an enabling investment climate and to finance areas of the economy beyond the means or interest of the private sector. ADB will develop sovereign and nonsovereign solutions jointly and seamlessly under the One ADB approach. Regional departments will work together with Private Sector Operations Department (PSOD) and the Office of Public–Private Partnership (OPPP) to support DMCs' private sector development through operations that create effective enabling policy environments and institutional capacity required for attracting private sector investment as well as to provide a phased approach to financing solutions for nonsovereign entities.

G. Developing Capacity

32. All operational plans include a focus on capacity development. DMCs require awareness and capacity development, policies, and institutions to prioritize actions and make appropriate choices about innovations and new technologies. ADB will provide TA and policy dialogue to translate latent needs into explicit demands for specific support.

H. Adding Value

33. To effectively implement the operational plans, ADB will add value through catalytic finance and resource mobilization, build knowledge that focuses on practical value and fits local conditions, replicate best practices, and promote dialogue and collaboration with key partners and stakeholders within and outside the region. Knowledge will be more easily shared with DMC stakeholders, and new synergies and innovation will be developed to guide field operations. ADB will strive to be at the forefront of development thinking, knowledge, and development impact in the region. ADB's support for the development of quality infrastructure will be fully consistent with the G20 Principles for Quality Infrastructure Investment.⁵

The six G20 principles for quality infrastructure investment are: (i) maximizing the positive impact of infrastructure to achieve sustainable growth and development, (ii) raising economic efficiency in view of life cycle cost, (iii) integrating environment considerations in infrastructure investments, (iv) building resilience against natural disasters and other risks, (v) integrating social considerations in infrastructure investment, and (vi) strengthening infrastructure governance.

IV

IMPLEMENTATION

A. Implications for Programming

- 34. **Sovereign operations.** All country programs will be fully aligned with Strategy 2030. Country programming will adopt the One ADB approach through integrated multisector analysis; collaboration among sovereign, nonsovereign, and PPP operations; and synergy between knowledge and financing activities. Regional departments, through resident missions and country directors, will prepare robust pipelines for concessional assistance and regular ordinary capital resources operations as well as for TA grants.
- 35. **Nonsovereign operations.** New operational targets under Strategy 2030 have been introduced to shift the focus of nonsovereign operations toward high development impact, nontraditional markets and sectors, and resource mobilization. PSOD and regional departments will also be able to jointly prepare nonsovereign public financing for SOEs. PSOD will consider equity investment and local currency lending and apply the One ADB approach to collaboration among OPPP, PSOD, and regional departments.
- 36. **Public-private partnerships.** OPPP and the PPP thematic group will continue efforts to promote private sector participation in infrastructure and PPPs in support of operational plans by building governments' capacity to plan and develop infrastructure with PPPs, supporting the creation of enabling policies and institutional and regulatory frameworks, facilitating project screening and selection to recommend projects for PPP implementation, providing transaction advisory services to help design and structure PPP transactions, and facilitating ADB's financial support through suitable sovereign and nonsovereign lending and guarantee products to improve the financial and commercial viability of projects.
- 37. The operational plans highlight areas where concessionality will be instrumental in delivering support to DMCs. They also highlight the opportunities for resource mobilization. Grants for TA and some project financing from trust funds will be instrumental in some sectors to catalyze borrowing, such as to incentivize the provision of public goods.

B. Interdepartmental Cooperation

38. The "One ADB" approach will encourage collaboration between ADB's sovereign and nonsovereign operations, synergy in knowledge activities between operations and non-operations departments, and integrated solutions through collaboration across STGs. Framework agreements have been concluded or are underway between PSOD and operations and support departments.

- 39. Regional departments will lead country dialogue and programming, with full involvement of PSOD. All operations departments will continue pipeline development, project delivery, and the creation of operations-derived knowledge as well as perform quality assurance functions at project entry, during implementation, and at completion.
- 40. Interdepartmental cooperation will require deeper cross-sector and cross-thematic collaboration as well as closer alignment of the knowledge and support departments with operations. For example, the Office of Anticorruption and Integrity; the Office of the General Counsel; and the Procurement, Portfolio, and Financial Management Department can continue to support design work and capacity building on governance, anticorruption, and domestic resource mobilization to support project financing. The Treasury Department is supporting green bond issuance, and the Asian Development Bank Institute (ADBI) and the Economic Research and Regional Cooperation Department (ERCD) publish economic research to increase understanding of the DMC context through macroeconomic studies, analytical sector studies, crosscutting sector and thematic studies, and just-in-time support for emerging operational needs. Learning from experience is also a core function of the evaluation work done by the Independent Evaluation Department and the monitoring enabled by the corporate results framework.
- 41. As ADB's success in addressing each operational priority will depend on (i) coordination with other operational priorities, sectors, and themes, and (ii) an environment that enables each plan to flourish, all relevant STGs will support each operational plan in planning and implementing activities. The STGs will provide strategic operational support through direct participation in country and project teams, provision of supplementary expertise, and quality assurance through peer reviews. They will serve as centers of leading knowledge through knowledge products, events, and services. The STGs will also have a leading role in resource mobilization and management through trust funds and financing partnership facilities.
- 42. The PSO Operational Plan that is under preparation will present ADB's approach to nonsovereign operations; describe the principles that will guide decision making over the operating period; and explain the need for a balanced approach to impact, risk, and profitability. The PSO Operational Plan sets out the alignment of nonsovereign operations and contribution to Strategy 2030's seven operational priorities. Sector, product, and thematic priorities as well as special initiatives will be identified and connected to the overarching aims of contributing to ADB's Strategy 2030 objectives.
- 43. Operationalizing the One ADB principle will also mean strengthening systems for interdepartmental coordination to optimize synergies across and within departments, and incentivizing teams to be formed and work together across departments. As ADB pursues its own digital transformation through the implementation of Digital Agenda 2030, data quality and access throughout the organization will be improved to enable efficient and effective sharing of data and information and collaboration. Enhanced quality and access will enable staff to use common data more widely, which in turn will further contribute to usability. Further improvement of sovereign and nonsovereign information technology systems will support timely reporting of the operational plans, and ready availability of such data will allow staff to make a conscious effort to achieve the associated targets.

⁶ ADB. 2018. Digital Agenda 2030: Special Capital Expenditure Requirements for 2019–2023. Manila.

C. Strategic Partnerships and Coordination

- 44. Delivering innovation will require deeper emphasis on becoming a knowledge bank, which will be achieved through collaboration with external organizations. ADB will form partnerships and continue meaningful dialogue with important stakeholders such as universities, think tanks, civil society organizations (CSOs), nongovernment organizations, media, and bilateral and multilateral agencies. ADB recognizes that relevant networks and coalitions have an important role in supporting the effective delivery of its operations and will work with them to implement the operational plans.
- 45. Strong partnerships will enable ADB to effectively assist DMCs through TA and knowledge products and services. ADB will seek flexible models to expand diverse knowledge partnerships across institutions within and outside DMCs. ADB will collaborate with partners on research and analysis on topics relevant to ADB operations that give a new perspective to knowledge solutions. Partnerships will also focus on building the capacity of technical and managerial staff of all relevant stakeholders, including government entities, policy makers, and service providers, to strengthen entire ecosystems. ADB will also explore support for national centers of excellence.
- 46. The operational plans highlight the need for ADB to leverage partnerships to share knowledge with DMCs in a more systematic way though knowledge dissemination events and publications. Coordination and collaboration with other development partners are important to share knowledge and good practices, and cooperation agreements will be revisited and extended to align with Strategy 2030 to leverage synergies with partners.
- 47. The operational plans also emphasize the desirability for ADB to engage with CSOs throughout the project cycle. CSOs are vital to ADB as they provide a platform where voices of the most vulnerable can be heard, and act as a conduit between ADB and beneficiaries to ensure their participation. They also provide ADB with valuable knowledge and expertise and a testing ground for innovative approaches that can be pilot-tested. Their participation helps build stronger links with end-users, including the poor and vulnerable.

D. Knowledge Work and Expertise

48. ADB aims to provide knowledge services that support DMC operations at both the country level and through a regional perspective. A country-focused approach entails carrying out more knowledge-intensive work and strategic multisector and multi-thematic studies to address remaining poverty and reduce inequality, facilitate job creation, identify growth pathways, enhance transformative investment opportunities, and provide robust policy advice to DMCs. Delivering proactive knowledge means exploring more innovative and multidisciplinary approaches (inherent in high-level technology, artificial intelligence, smart grids, and smart cities). Upstream knowledge such as strategic vision, comprehensive development reports, and investment plans will drive operations. ADB will also program economic research to increase the understanding of the DMC context through relevant macroeconomic studies, analytical sector studies, crosscutting sector and thematic studies, and justin-time support for operational needs.

- 49. The operational plans highlight the importance for ADB to better capture its tacit knowledge about what works and how to guide policy dialogue, operational planning, project performance, and results. ADB must continue to learn from and scale up the emerging good practices, while at the same time learning from and sharing innovative practices in DMCs and globally. Such knowledge will be taken from actual experience from ADB's and other development partners' operations, particularly from field offices, and must be forward-looking to drive innovations and improvements in the quality, equity, and efficiency of the plans. Furthermore, enhancing staff learning and skills will reinforce technical know-how and encourage knowledge generation and adoption.
- 50. From a regional perspective, the operational plans will focus on harnessing knowledge from Asia and the Pacific, promoting knowledge on cross-border connectivity and regional public goods, mitigating shocks from climate change, and promoting gender equality and livable cities. ADB will step up activities to promote country-to-country knowledge sharing to facilitate DMC cooperation in pilot sectors or cross-sector and thematic areas as well as with global knowledge hubs. Such efforts build on ADB's capability to discuss global issues in the development community and will cement ADB's reputation as a reliable knowledge provider.
- 51. Implementation of the operational plans will require wider collaboration on knowledge management. The STGs and their committees will identify, support, and ensure the quality of knowledge products, events, and strategic partnerships as part of their annual work program. They will also play an increasing role in ensuring the quality of knowledge products and services that ADB generates and provides. ADB's ongoing digital agenda and information technology reforms will increase internal efficiencies and facilitate collaboration.
- 52. ADB will promote knowledge delivery through continued collaboration among knowledge departments, including the ERCD, the Knowledge Service Division within the Department of Communications (DOC), the Knowledge Advisory Service Center and Digital Technology for Development Unit within SDCC, the Independent Evaluation Department, the Office of the General Counsel, and ADBI. All knowledge departments will continue to work closely with operations departments to strengthen knowledge–operations linkages, develop evidence and lessons in support of transformative policies and project designs, and identify innovative approaches and global best practices to improve the ADB project pipeline.
- 53. DOC will work closely with the operations and knowledge departments, including STGs and ADB's external business and knowledge partners to support DMC knowledge needs. Services will include guidance on knowledge product formats and platforms, and suggestions on practical tools and channels to capture and share relevant data, information, technical solutions, know-how, and lessons from ADB projects and operations. Such support from DOC will contribute to the adoption of integrated solutions, innovative approaches, best practices using information and communication technology, and country-to-country sharing of economic and social development experiences from designing and implementing policy.
- 54. ERCD will continue to undertake policy research to generate and disseminate knowledge critical to fostering economic and social development. Through flagship publications such as the Asian Development Outlook and Asian Economic Integration Report, ERCD will continue to provide rigorous economic analysis that contributes to debates on development issues faced by DMC policy makers. In addition to research work, ERCD will develop and maintain statistical databases for economic

development and integration indicators to support evidence-based policy making, as well as carry out statistics capacity building activities for DMCs.

- 55. In efforts directed toward external clients, ERCD will coordinate ADB support for regional forums to facilitate RCI, including financial cooperation and integration, and collaborate and network with international organizations, government agencies, and research institutions for policy research and knowledge generation and dissemination. This helps raise ADB's profile as a knowledge institution in the region.
- 56. For internal clients, ERCD will continue to support ADB's lending operations through economic analyses of projects, customized analysis (such as debt sustainability assessments backing countercyclical support facilities), and country diagnostic studies that provide analytical support for the lending pipeline. ERCD will regularly brief ADB Management on economic issues to support corporate decision making and deliver capacity-building programs to strengthen project economic analysis and macroeconomic monitoring.
- 57. ADBI will continue to conduct high-quality research and capacity-building activities that support the adoption of innovative policy solutions in DMCs. ADBI knowledge products will include open access books; working papers; policy briefs; blogs; other publications based on empirical analysis; and events related to such publications, including research conferences. ADBI will continue to build capacity through conferences, workshops, roundtables, public-private dialogues, and other events that share experience and best practices between stakeholders, drive new policy ideas, and encourage implementation. ADBI will also develop online, multimedia lectures and courses to further widen learning and engagement opportunities among DMC officials and public and private sector partners.
- 58. Each operational plan discusses the emerging areas requiring expertise and knowledge to achieve the operational plans. STGs will improve ADB's skills inventory and work with operations departments to improve talent management. Specific skills will be acquired through the ADB Experts Pool, secondments from member country agencies, and from knowledge partners as well as through consultants. SDCC will continue to deploy specialized pooled experts to different departments to help develop, prepare and implement operations through an efficient sharing arrangement.

E. Monitoring and Reporting

59. Strategy 2030 operational priority results and indicators have been developed for each operational plan, in consultation with the Strategy, Policy, and Partnerships Department and the operations departments. A two-level results architecture is proposed, in which sub-pillars will contribute to the main pillars of each operational plan. Indicators will measure the performance under each pillar and sub-pillar. For pillars, indicators will have achievement rate targets to determine if the expected quantities of results planned at the commitment stage are achieved by project completion. Sub-pillars will have tracking indicators without targets.

- 60. Pillar indicators are proposed to be integrated in level 2 of the Strategy 2030-aligned corporate results framework to measure progress in achieving results across the seven operational plans⁷ as well as to help monitor and improve ADB's performance in effectively implementing the operational plans.
- 61. The Strategy 2030 operational priority results in the operational plans will cover 2019–2024 to coincide with the period covered by the corporate results framework. Midterm reviews and indicator adjustments are expected to be conducted in 2024.

ADB. 2019. ADB Results Framework, 2019–2024. Manila.

Strategy 2030 Operational Plans

Overview

This document outlines the seven operational plans produced by the Asian Development Bank (ADB) to implement the seven operational priorities of Strategy 2030 and achieve a prosperous, inclusive, resilient, and sustainable Asia and the Pacific. It summarizes the expected activities, outcomes, and opportunities for each plan, as well as common approaches and implementation measures. This document and the operational plans were prepared by members of ADB sector and thematic groups following extensive consultations with internal and external stakeholders.

About the Asian Development Bank

ADB is committed to achieving a prosperous, inclusive, resilient, and sustainable Asia and the Pacific, while sustaining its efforts to eradicate extreme poverty. Established in 1966, it is owned by 68 members —49 from the region. Its main instruments for helping its developing member countries are policy dialogue, loans, equity investments, guarantees, grants, and technical assistance.