



Technical Assistance Report

Project Number: 47109-001
Research and Development Technical Assistance (RDTA)
December 2013

The Urbanization–Poverty–Inequality Triangle in Asia and the Pacific

ABBREVIATIONS

ADB	–	Asian Development Bank
DMC	–	developing member country
ERD	–	Economics and Research Department
ERDI	–	Development Indicators and Policy Research Division
TA	–	technical assistance

TECHNICAL ASSISTANCE CLASSIFICATION

Type	–	Research and development technical assistance (RDTA)
Targeting classification	–	General intervention
Sector (subsector)	–	Public sector management (economics and public affairs management)
Themes(subthemes)	–	Economic growth (promoting efficiency and enabling business environment), social development (human development)
Location (impact)	–	National (high), urban (high), regional (low)

NOTE

In this report, “\$” refers to US dollars.

Vice-President	B.N. Lohani, Knowledge Management and Sustainable Development
Director General	C. Rhee, Economics and Research Department (ERD)
Director	D. Brooks, Development Indicators and Policy Research Division, ERD
Team leader	G. Wan, Principal Economist, ERD
Team members	X. Han, Economist, ERD A. Vogl, Urban Development Specialist, Regional and Sustainable Development Department I. Sebastian-Samaniego, Economics and Statistics Analyst, ERD O. Velarde, Associate Economics and Statistics Analyst, ERD

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I. INTRODUCTION

1. Poverty and inequality profiles in Asia and the Pacific, including in the developing member countries (DMCs) of the Asian Development Bank (ADB), are undergoing fundamental changes as a result of unprecedented urbanization. Most DMCs face tremendous challenges with little preparation, including how to confront the urbanization of poverty and emerging income polarization. In particular, the trend of rising inequality in the region may be related to rapid urbanization, as hypothesized by Nobel Laureate Simon Kuznets.

2. In general, urbanization is accompanied by flows of production factors—in particular labor—from the low-productivity rural sector to high-productivity manufacturing and service industries. Therefore, urbanization and growth appear to be positively correlated. This implies a negative correlation between poverty and urbanization, all other things being equal. However, the work of Kuznets postulates that the relationship between inequality and growth or urbanization takes the form of an inverted U.¹ Consequently, inequality cannot be held constant during rapid urbanization, and the poverty–urbanization relationship is no longer deductible. In short, the urbanization–poverty–inequality triangle, although very important to a host of stakeholders including ADB and its DMCs, is complex and intriguing.

3. Few economic analyses have been conducted regarding the urbanization–poverty–inequality relationship in the context of ADB DMCs, notwithstanding several ADB reports on urban issues (e.g., ADB’s 2011 report on inclusive cities).² A total of 90 publications in the Econlit database contain the keywords “urbanization” and “poverty”, and 77 publications have the keywords “urbanization” and “inequality” in their abstracts or titles.³ However, only 11 of these 167 publications are related to ADB DMCs. The JSTOR database contains a total of 28 such publications, but only one is related to ADB DMCs.⁴

4. There is an urgent need for an improved understanding of the urbanization–poverty–inequality relationship, especially with regard to the impacts of urbanization on poverty and inequality in ADB DMCs (see para.10). The lack of accessible knowledge products that elucidate this relationship hampers the efforts by DMCs and development institutions to fight poverty and promote inclusive growth.

5. The proposed technical assistance (TA) will (i) identify the drivers of urbanization and project urbanization trends, both within DMCs and regionally; (ii) analyze the impact of urbanization on poverty, inequality, and other socioeconomic variables; (iii) explore policy implications; and (iv) communicate the findings through written materials, conferences, workshops, and seminars.⁵

II. ISSUES

6. This TA will address three unresolved development issues. First, it will examine the drivers of urbanization in Asia and the Pacific: industrialization, rural–urban disparity, education, globalization, migration and rural–urban linkages, and other forces (e.g., the diversity of services available in cities). This will serve as a background component of the TA, and will enable more reliable projections of urbanization trends, both for major DMCs and for the region. Second, it

¹ S. Kuznets. 1955. Economic Growth and Income Inequality. *American Economic Review*. 45 (1) pp. 1–28.

² F. Steinberg and M. Lindfield, eds. 2011. *Inclusive Cities*. Manila: Asian Development Bank.

³ Econlit is the database of the American Economic Association. <http://www.ebscohost.com/academic/econlit>.

⁴ JSTOR is an online repository of digitized academic journals, books, and other research materials. <http://jstor.org>.

⁵ The TA first appeared in the business opportunities section of ADB’s website on 5 November 2013.

will examine the consequences of unprecedented urbanization (current and projected) for the region and individual DMCs, focusing on poverty (income and non-income) and income distribution impacts. In this context it may be possible to consider gender issues, such as the gender composition of migrants and the gender wage gap among migrant workers. Third, it will explore evidence-based policy implications and develop recommendations, which are essential to aid decision making by governments, donors, and development institutions, including ADB.

7. The first issue—the drivers of urbanization—may sound familiar. However, it has been found that limited attention has been paid to the drivers of urbanization in the economics literature.⁶ The shortage of knowledge regarding the drivers of urbanization and their numerical impacts undermines the quality of urbanization projections, which are essential for development planning by DMCs and multilateral development banks. In other words, identifying drivers of urbanization and undertaking urbanization projection can provide vital information for policy-making of development institutions and DMC governments.

8. The second issue—the consequences of unprecedented urbanization—can be addressed by analyzing (separately and jointly) the nexuses between urbanization and poverty, and urbanization and inequality. In studying the urbanization–poverty nexus it is necessary to investigate the impact of urbanization on growth first. The impact of growth on poverty can then be quantified, at least by using poverty elasticities of growth. Similarly, the distributional impact of urbanization can be quantified by using the inequality elasticities of urbanization, after estimating the inequality–urbanization model. In addressing the second issue, special effort will be made to consider the significant heterogeneity across DMCs. In countries such as Thailand, both urbanization and extreme poverty levels are low. The opposite is true in countries such as Mongolia. However, in some countries, low poverty levels are associated with a high level of urbanization, while others have high levels of poverty and a low level of urbanization. Such heterogeneity also exists with respect to urbanization and inequality.

9. Finally, to derive policy recommendations, reviews of policies—including those designed to restrain urbanization, such as the *hukou* (household registration) system in the People’s Republic of China (PRC)—will be undertaken, and the roles of governance and institutions will be explored. The empirical analyses discussed above are also expected to generate policy recommendations. For example, in a country where urbanization is found to lag behind the level of development (e.g., the PRC), research can be conducted to explore policy options to facilitate migration and urban expansion. As another example, if urbanization is found to increase inequality in a country, research can examine whether this impact forms part of the urbanization-related growth regularity. If not, interventions such as social protection or capacity building (e.g., training programs for migrants) may be suggested to contain or eliminate the adverse impact of urbanization on inequality.

10. The issues to be addressed by this TA have received growing interest from both inside and outside ADB. During the Key Indicators workshop held in May 2012, coping with the unexpected scale and pace of urbanization was one of the concerns expressed by government representatives. After the launch of *Key Indicators 2012*,⁷ ADB’s urban community of practice, Regional and Sustainable Development Department (RSDD), and Southeast Asia Department

⁶ A. Hofmann and G. Wan. 2013. Determinants of Urbanization. *ADB Economics Working Paper Series*. No. 355. Manila: Asian Development Bank. This paper was featured prominently in *The Economist*. 2013. Urbanisation and Growth: City Chickens and Country Eggs. 4 August.

⁷ ADB. 2012. *Key Indicators for Asia and the Pacific 2012*. Manila.

approached the Economics and Research Department (ERD) for follow-up studies on urbanization in the region.

11. The proposed TA complements a number of completed or ongoing ADB studies. The special chapter of *Key Indicators 2012* focused on the urbanization–environment relationship, with research support from the 2011 Key Indicators TA.⁸ This TA will focus on the urbanization–poverty–inequality interrelationship. This TA also complements two East Asia Department TA projects: one aims to establish an urban regional knowledge hub in the PRC, while the other focuses on providing basic infrastructure, employment, and social services within the PRC.⁹ Both are largely descriptive, while the proposed TA emphasizes analytical work with quantitative results.

III. THE TECHNICAL ASSISTANCE

A. Impact and Outcome

12. The impact of the TA will be improved understanding of stakeholders regarding the urbanization–poverty–inequality interrelationship. The outcome will be that policy makers, development experts, and researchers both within and outside ADB use the TA findings. The TA outputs include: research papers on drivers of urbanization and urbanization projections, research papers or reports on urbanization–poverty–inequality triangle, and dissemination of knowledge products on the urbanization–poverty–inequality interrelationship.

B. Methodology and Key Activities

13. This is an economic research project on urbanization, and econometric modeling will be the primary methodology used to address the three issues (para. 6). However, methods from other relevant disciplines such as urban planning, economic geography, and demography will also be considered when appropriate. Both country-specific and comparative (multi-country) case studies will be conducted. Literature and policy reviews will also be undertaken.

14. A comparative approach will be employed to analyze urbanization drivers and impacts and the associated policy implications in two or more DMCs (e.g., the PRC and India). Possible topics for the comparative study include the impacts of urbanization on urban and rural growth; distortions in land markets and related housing issues; distortions in labor markets and implications for migration, remittance, and equity; external markets (trade and foreign direct investments) and urbanization; financing for infrastructure and public services; urbanization and human development; and environmental challenges and urbanization. The role of social capital in the urbanization process will be considered if data are available.

15. In identifying urbanization drivers, both time series models and structural models will be specified and estimated by ordinary least squares, generalized least squares, generalized method of moments, or other panel data techniques. Once the empirical models have been developed, the TA will make projections of the level of urbanization in various DMCs and in the region.¹⁰ Such projections are likely to differ from those produced by the United Nations

⁸ ADB. 2011. *Technical Assistance for Key Indicators for Asia and the Pacific 2011*. Manila (RDTA 7792).

⁹ ADB. 2010. *Technical Assistance for Establishing a Regional Knowledge Hub for Sustainable Urban Development*. Manila (TA 7496); ADB. 2010. *Technical Assistance for Policy Study on Strategic Options for Urbanization*. Manila (TA 7533).

¹⁰ The United Nations definition of urbanization will be used (i.e., the proportion of the urban population to the total population). Because the definition of urban areas differs among countries, the United Nations urbanization data

Department of Economic and Social Affairs, Population Division or the United Nations Human Settlements Programme, which heavily rely on pure time-series, rather than structural models.

16. To tackle the urbanization–poverty–inequality triangle, this TA intends to assess the impacts of urbanization on income or non-income poverty and inequality. The specific methodologies to be used may include: (i) pair-wise correlation analysis between urbanization, poverty, and inequality; (ii) vector autoregressive modeling of the interrelationship between urbanization, poverty, and inequality; and (iii) use of discrete choice models such as logit or probit for quantifying the impacts of internal migration on poverty and possibly inequality.

17. Based on the various models that are constructed and estimated, simulations can be used to assess the potential impacts of policy changes. The simulations can be conducted at the country, subregional, or regional level depending on data availability.

18. Both macro and micro or household survey data will be collected, processed, and used in this TA. The open data practice will be adopted whenever allowed by data providers. Country coverage depends on data availability. The DMCs likely to be included are: the PRC, India, Indonesia, Papua New Guinea, the Philippines, Thailand, Timor-Leste, and Uzbekistan.¹¹ No activity will be financed in any participating DMC unless a no objection letter is obtained from the DMC government.

19. Workshops, seminars, conferences, and/or launch activities will be conducted to present and discuss the findings of the TA. Experts from ADB and other relevant institutions will be invited as resource persons to these events. Government representatives will also be invited to various project activities to seek their inputs and discuss research findings. The TA will finance their participation.

C. Cost and Financing

20. The TA is estimated to cost \$950,000 equivalent, which will be financed on a grant basis by ADB's Technical Assistance Special Fund (TASF-V). The cost estimates and financing plan are in Appendix 2.

D. Implementation Arrangements

21. ADB will be the executing agency of the TA. The TA will be implemented by the Development Indicators and Policy Research Division of ERD for 24 months, from December 2013 to December 2015. ERD's poverty and inclusive growth group, together with RSDD, will collaborate to implement the TA, including the recruitment and management of consultants. During TA implementation, the project team will collaborate with ADB's communities of practice, RSDD, Office of Regional Economic Integration, and regional departments. For example, ongoing TA projects of the South Asia¹² and East Asia (through the ADB–Tongji University Knowledge-Hub for Sustainable Urban Development)¹³ departments provide good opportunities for collaborative research.

may be inconsistent; this can be addressed through econometric techniques, such as fixed effects models and data differencing.

¹¹ The list of countries will be finalized after data availability is reviewed.

¹² ADB. 2012. *Technical Assistance for Strengthening Knowledge-Driven Development in South Asia*. Manila (TA 7997).

¹³ ADB. 2010. *Technical Assistance for Establishing a Regional Knowledge Hub for Sustainable Urban Development*. Manila (TA 7496).

22. External collaborations are being developed with Centers of Excellence: the Fudan Lab for China Development Studies, the University of Oxford, and the London School of Economics.

23. The TA is expected to finance up to 89 person-months of consulting services. In addition to the comparative studies (para. 14), the consultants will study a combination of different themes, issues, and DMCs. Some will focus on cross-country research while others will conduct country case studies. Given the large number of countries covered in this TA and the meager literature on the urbanization–poverty–inequality triangle, the following allocation is proposed. The comparative cross-country studies will be conducted by international consultants: nine economists (13.5 person-months), three urban development specialists (4.5 person-months), and two social development specialists (3 person-months). The country-specific case studies will be conducted by national consultants: eight country economists (16 person-months) and two country social development specialists (4 person-months). The research teams will be assisted by an economics editor (national, 12 person-months) and two research assistants (national, 36 person-months). The TA will also make provision for the participation of resource persons (2 person-months) who will provide technical inputs and guidance during the workshops, conferences, seminars, or launch activities. Each resource person assignment will not exceed 10 working days. All consultants will be recruited and engaged individually by ADB in accordance with its Guidelines on the Use of Consultants (2013, as amended from time to time).¹⁴ The scope of work and outline terms of reference for consultants are in Appendix 3.

24. The TA requires both micro and macro data. The datasets will be procured from DMC agencies as well as other research institutions. Equipment and software may also be procured for the TA where needed. Procurement of data, equipment, and software will be in accordance with ADB's Procurement Guidelines (2013, as amended from time to time). Disbursement of funds will be in accordance with ADB's *Technical Assistance Disbursement Handbook* (2010, as amended from time to time). For the equipment, a certificate of equipment turnover or disposal will be submitted at the end of the TA implementation.

25. Findings will be disseminated through workshops, seminars, conferences, launch activities, and various publications. Evaluation will be based on knowledge products produced and feedback from stakeholders. Briefings and seminars will also be conducted to disseminate research findings to the operations departments and outsiders. Informal review meetings by the TA team, including consultants, will be held to address constraints and monitor activities according to the schedule.

IV. THE PRESIDENT'S DECISION

26. The President, acting under the authority delegated by the Board, has approved the provision of technical assistance not exceeding the equivalent of \$950,000 on a grant basis for The Urbanization–Poverty–Inequality Triangle in Asia and the Pacific, and hereby reports this action to the Board.

¹⁴ The outputs of individual consultants are independent. There will be no subcontracting or purchase of expensive items under individual consultant contracts. The team leader (ERDI staff) will manage and consolidate outputs of consultants.

DESIGN AND MONITORING FRAMEWORK

Design Summary	Performance Targets and Indicators with Baselines	Data Sources and Reporting Mechanisms	Assumptions and Risks
<p>Impact The impact of the TA will be improved understanding of stakeholders regarding the urbanization–poverty–inequality interrelationship</p>	<p>By 2020: Government policies and ADB projects and programs take into consideration research findings of this TA</p>	<p>Government development plans</p> <p>ADB project evaluation documents</p>	<p>Assumption Stakeholders are interested in the topics covered by the TA and findings are well understood</p>
<p>Outcome The outcome will be that policy makers, development experts, and researchers both within and outside ADB use the TA findings</p>	<p>By 2020: TA research findings are cited in at least eight ADB documents and external publications</p>	<p>ADB documents</p> <p>ADB Management speeches</p> <p>Government documents and media reports from ADB’s Department of External Relations</p>	<p>Assumption Researchers are willing to use scientific evidence in formulating policies and programs</p>
<p>Outputs</p> <p>1. Research papers on drivers of urbanization and urbanization projections</p> <p>2. Research papers or reports on urbanization–poverty–inequality triangle</p> <p>3. Dissemination of knowledge products</p>	<p>By 2015: 5 papers on drivers of urbanization and urbanization projections</p> <p>About 10 papers on the urbanization–poverty–inequality triangle and at least one report, book or special journal issue, plus possible policy briefs to summarize policy recommendations</p> <p>At least two workshops or conferences</p> <p>At least two seminars or launch activities</p>	<p>Number of papers published as journal articles or as working papers</p> <p>Number of papers published as journal articles or working papers, and reports, books or special journal issues published by renowned publishers</p> <p>Feedback received from workshop and conference participants, and DMC government representatives</p> <p>Feedback received from seminar or launch activity participants, including DMC officials, media, etc.</p>	<p>Assumption Continued support from relevant ADB departments and national organizations</p> <p>Risk Lack of access to reliable, accurate, and timely data</p>

Activities with Milestones	Inputs																
<p>Research activities</p> <p>1.1 Review existing literature and identify knowledge gaps (December 2013–February 2014)</p> <p>1.2 Recruit individual consultants (January 2014–March 2015)</p> <p>1.3 Hold inception workshop (February 2014)</p> <p>1.4 Conduct research and prepare draft papers, reports, and country cases (March 2014–October 2015)</p> <p>1.5 Hold workshop(s) to discuss preliminary research findings (September 2014)</p> <p>1.6 Finalize papers and reports for submission as working papers, journal articles, or individual reports (June 2014–November 2015)</p> <p>1.7 Hold workshop(s) to discuss revised knowledge products (March 2015)</p> <p>1.8 Compile papers into a book, report, or as a journal special issue (August 2014–November 2015)</p>	<p>Asian Development Bank: \$950,000 (TASF-V)</p> <table border="1"> <thead> <tr> <th data-bbox="824 346 1218 378">Item</th> <th data-bbox="1224 346 1435 378">Amount (\$'000)</th> </tr> </thead> <tbody> <tr> <td data-bbox="824 386 1218 417">Consultants</td> <td data-bbox="1224 386 1435 417">500.0</td> </tr> <tr> <td data-bbox="824 417 1218 449">Equipment and software</td> <td data-bbox="1224 417 1435 449">40.0</td> </tr> <tr> <td data-bbox="824 449 1218 512">Workshops, seminars, and conferences</td> <td data-bbox="1224 449 1435 512">225.0</td> </tr> <tr> <td data-bbox="824 512 1218 543">Data, surveys, and studies</td> <td data-bbox="1224 512 1435 543">40.0</td> </tr> <tr> <td data-bbox="824 543 1218 606">Miscellaneous administration and support costs</td> <td data-bbox="1224 543 1435 606">50.0</td> </tr> <tr> <td data-bbox="824 606 1218 638">Contingency</td> <td data-bbox="1224 606 1435 638">95.0</td> </tr> <tr> <td data-bbox="824 638 1218 669">Total</td> <td data-bbox="1224 638 1435 669">950.0</td> </tr> </tbody> </table>	Item	Amount (\$'000)	Consultants	500.0	Equipment and software	40.0	Workshops, seminars, and conferences	225.0	Data, surveys, and studies	40.0	Miscellaneous administration and support costs	50.0	Contingency	95.0	Total	950.0
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<p>Dissemination activities</p> <p>2.1 Publish results and findings as working papers, reports, or journal articles (July 2014–December 2015)</p> <p>2.2 Contact possible publishers or journals (July 2014–August 2015)</p> <p>2.3 Conduct seminars, conferences, and launch activities to disseminate results (October 2014–December 2015)</p> <p>2.4 Discuss issues and findings in international conferences or seminars (February 2014–December 2015)</p>																	

ADB = Asian Development Bank, DMC = developing member country, TA = technical assistance.
Source: Asian Development Bank.

COST ESTIMATES AND FINANCING PLAN
(\$'000)

Item	Amount
Asian Development Bank^a	
1. Consultants ^b	500.0
a. Remuneration and per diem	
i. National consultants	
ii. International consultants	
b. International travel	
2. Equipment and software ^c	40.0
3. Workshops, seminars, and conferences ^d	225.0
4. Data, surveys, and studies ^e	40.0
5. Miscellaneous administration and support costs ^f	50.0
6. Contingencies	95.0
Total	950.0

^a Financed by the Asian Development Bank's Technical Assistance Special Fund (TASF-V).

^b Includes travel and per diem of consultants.

^c Includes purchase of computers, memory, hard drives, data entry devices, specialized software, books, and manuals.

^d Includes travel of resource persons, travel of staff as resource persons, participant travel cost, per diem, and other related costs.

^e Includes survey design, data collection, data processing, documentation, and related costs.

^f Includes report preparation, publication, and other related costs.

Source: Asian Development Bank estimates.

OUTLINE TERMS OF REFERENCE FOR CONSULTANTS

A. **Economists** (international, 9 consultants, 1.5 person-months each, 13.5 person-months total, intermittent, February 2014–December 2015)

1. The economists should have (i) a PhD in economics with a strong background in urban or development economics; (ii) a good publication record on urbanization, poverty, inequality, or related issues, preferably related to Asian economies; (iii) proven capacity for both quantitative and policy-oriented analysis; and (iv) proven capacity to synthesize complex issues and identify key policy messages for policymakers and other key stakeholders. Quantitative and econometric skills are necessary. Under the direct supervision of the Development Indicators and Policy Research Division (ERDI) team leader, the economists will

- (i) conduct research and prepare background papers (in English) on issues related to the urbanization–poverty–inequality interrelationship and other related topics;
- (ii) prepare a relevant literature review, collect and compile data, and conduct quantitative modeling using the latest techniques;
- (iii) explore specific, evidence-based policies, and interventions;
- (iv) prepare or revise well-written paper(s) for publication; and
- (v) participate in other activities related to the TA project, including workshops, seminars, conferences, and launch activities that may be held in one of the participating developing member countries (DMCs) or at the Asian Development Bank (ADB) headquarters.

B. **Urban Development Specialists** (international, 3 consultants, 1.5 person-months each, 4.5 person-months total, intermittent, February 2014–December 2015)

2. The urban development specialists should have (i) a PhD in urban management, urban and regional planning, or other related field; (ii) a good publication record on urbanization and related studies, preferably related to Asian economies; (iii) proven capacity for both quantitative and policy-oriented analysis; and (iv) proven capacity to synthesize complex issues and identify key policy messages for policymakers and other key stakeholders. Under the direct supervision of the ERDI team leader, the urban development specialists will

- (i) conduct research and prepare background papers (in English) on issues related to urbanization, such as its drivers and impacts;
- (ii) prepare a relevant literature review, collect and compile data, and conduct quantitative modeling using the latest techniques;
- (iii) explore specific, evidence-based policies, and interventions;
- (iv) prepare or revise well-written paper(s) for publications; and
- (vi) participate in other activities related to the TA project including workshops, seminars, conferences, and launch activities that may be held in one of the participating DMCs or at ADB headquarters.

C. **Social Development Specialists** (international, 2 consultants, 1.5 person-months each, 3 person-months total, intermittent, February 2014–December 2015)

3. The social development specialists should have (i) a PhD in sociology, economics, applied social science or other related field; (ii) good publication and professional experience in social development and protection, including poverty-related issues across social sectors, or related areas, preferably related to Asian economies; (iii) proven capacity for both quantitative

and policy-oriented analysis; and (iv) proven capacity to synthesize complex issues and identify key policy messages for policymakers and other key stakeholders. Under the direct supervision of the ERDI team leader, the social development specialists will

- (i) conduct research and prepare background papers (in English) on issues related to social development and protection including poverty-related issues;
- (ii) prepare a relevant literature review, collect and compile data, and conduct quantitative modeling using the latest techniques;
- (iii) explore specific policies and interventions that are evidence-based;
- (iv) prepare or revise well-written paper(s) for publication; and
- (vii) participate in other activities related to the TA project including workshops, seminars, conferences, and launch activities that may be held in one of the participating DMCs or at ADB headquarters.

D. Country Economists (national, 8 consultants, 2 person-months each, 16 person-months total, intermittent, February 2014–December 2015)

4. The country economists (from the People’s Republic of China, India, Indonesia, Papua New Guinea, the Philippines, Thailand, Timor-Leste, and Uzbekistan)¹ should have (i) a PhD in economics or development economics; (ii) expert knowledge of urbanization, poverty, or inequality-related policy issues in the selected DMCs for their respective country studies; (iii) proven capacity for both quantitative and policy-oriented analysis; and (iv) proven capacity to synthesize complex issues and identify key policy messages for policymakers and other key stakeholders. Under the direct supervision of the ERDI team leader, the country economists will

- (i) conduct country studies and contribute one research paper (in English) each on a selected DMC;
- (ii) revise the papers as required for final publication in the form of chapters in the edited final report or as ADB economics working papers;
- (iii) participate in activities related to the TA project including workshops, seminars, conferences, and launch activities that may be held in one of the participating DMCs or at ADB headquarters; and
- (iv) provide other research and inputs related to the TA project, as required.

E. Country Social Development Specialists (national, 2 consultants, 2 person-months each, 4 person-months total, intermittent, February 2014–December 2015)

5. The country social development specialists should have (i) a PhD in sociology, economics, applied social science or other related fields; (ii) expert knowledge of urbanization or social development issues in the selected DMCs for their respective country studies; (iii) proven capacity for both quantitative and policy-oriented analysis; and (iv) proven capacity to synthesize complex issues and identify key policy messages for policymakers and other key stakeholders. Under the direct supervision of the ERDI team leader, the country social development specialists will

- (i) conduct country studies and contribute one research paper (in English) each on a selected DMC;
- (ii) revise the papers as required for final publication in the form of chapters in the edited final report or as ADB economics working papers;

¹ The list of countries will be finalized after data availability is reviewed.

- (iii) participate in activities related to the TA project including workshops, seminars, and conferences, and launch activities that may be held in one of the participating DMCs or at ADB headquarters; and
- (iv) provide other research and inputs related to the TA project, as required.

F. Economics Editor (national, 1 consultant, 12 person-months, intermittent, February 2014–December 2015)

6. The economics editor should have (i) an advanced degree in economics, preferably a PhD degree and (ii) proven capacity to synthesize complex issues and identify key policy messages for policymakers and other key stakeholders. Working with the poverty and inclusive growth group within the ADB Economics and Research Department (ERD), the economics editor will provide technical advice and guidance, economics editing, and assistance in the production of knowledge products, press releases, and related materials for publication. Specifically, the economics editor will

- (i) critically examine the contents of the various papers and reports for consistency with economics theory and empirical evidence;
- (ii) identify gaps, weaknesses, and concerns, and recommend revisions in the papers and reports;
- (iii) discuss the suggested changes and revisions with the ERD staff concerned;
- (iv) edit and revise the papers and reports as agreed;
- (v) review the structure, content, and format of the draft papers and reports to ensure that they conform to the prescribed requirements for the publication; and
- (vi) confirm the validity and accuracy of information, tables, and charts that the consultants included in the papers and reports.

G. Research Assistants (national, 2 consultants, 36 person-months total, continuous, February 2014–December 2015)

7. The research assistants should have (i) a master's degree in economics, statistics, or related field; (ii) experience working in the area of statistics or research and analysis; (iii) technical and analytical skills required for the TA project; and (iv) proficiency in using statistical software for analysis such as Stata. Under the direct supervision of the ERDI team leader, the research assistants will carry out the following activities

- (i) collect and compile data from different countries in developing Asia;
- (ii) extract data from ADB TA project documents and other relevant sources;
- (iii) process survey data and generate analytical results and organize these in tables and charts;
- (iv) draft interpretations of analytical results and explore policy implications of analytical results;
- (v) assist the study team in other data processing requirements or literature reviews;
- (vi) provide logistics and administrative support for project activities (e.g., conferences and workshops); and
- (vii) perform other tasks relevant to the study or as may be assigned.

H. Resource Persons (2 person-months total, February 2014–December 2015)

8. Resource persons (experts on urbanization, poverty, and inequality) will be engaged to participate as presenters or discussants in the workshops, seminars, launch activities, and

conferences. The resource persons should have (i) expert knowledge on development, urbanization, poverty, and inequality issues in Asia; and (ii) extensive experience and excellent publication record on the topics covered by the TA.

OUTLINE OF THE FINAL REPORT

Part I: Overview

Chapter 1: The Urbanization–Poverty–Inequality Triangle

1.1 An overview of poverty, inequality, and urbanization in Asia

1.2 The roles of government, market, and society in urbanization

Part II: Inequality and Urbanization

Chapter 2: The Impact of Urbanization on the Urban–Rural Gap

Chapter 3: The Impact of Urbanization on Urban and Rural Inequalities

Part III: Poverty and Urbanization

Chapter 4: The Impact of Urbanization on Growth

Chapter 5: The Impact of Urbanization on Urban and Rural Poverty

Chapter 6: Rural–Urban Linkages and Poverty Reduction

Part IV: Policy Recommendations

Chapter 7: Review of Government Policies

Chapter 8: Policy Implications for ADB and Developing Member Countries