



## Tuvalu: Strengthened Fiscal Sustainability Program

Project Name	Strengthened Fiscal Sustainability Program	
Project Number	47318-001	
Country	Tuvalu	
Project Status	Closed	
Project Type / Modality of Assistance	Grant	
Source of Funding / Amount	<b>Grant 0442-TUV: Strengthened Fiscal Sustainability Program</b>	
	concessional ordinary capital resources lending / Asian Development Fund	US\$ 2.00 million
	<b>Grant: Strengthened Fiscal Sustainability Program</b>	
	World Bank	US\$ 1.50 million
	Government of Australia	US\$ 1.10 million
	Government of New Zealand	US\$ 400,000.00
Strategic Agendas	Inclusive economic growth	
Drivers of Change	Governance and capacity development Partnerships Private sector development	
Sector / Subsector	<b>Public sector management</b> - Public expenditure and fiscal management - Reforms of state owned enterprises	
Gender Equity and Mainstreaming	No gender elements	
Description		
Project Rationale and Linkage to Country/Regional Strategy		
Impact	The project is aligned with Tuvalu's National Strategy for Sustainable Development, 2005_2015 (Te Kakeega II) objectives of good governance, macroeconomic growth, and stability by (i) improving procurement practices so public expenditure is more transparent and better managed, (ii) sustaining the value of the fiscal buffer to guard against external shocks, and (iii) improving the performance of public enterprises and reducing the financial drain on the government budget.	

### Project Outcome

Description of Outcome	Sustainable fiscal position
Progress Toward Outcome	
<b>Implementation Progress</b>	
Description of Project Outputs	1. Public procurement practices strengthened 2. Fiscal buffer sustained 3. Commercial basis for public enterprises and private sector development strengthened
Status of Implementation Progress (Outputs, Activities, and Issues)	
Geographical Location	

### Safeguard Categories

Environment	C
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Involuntary Resettlement	C
Indigenous Peoples	C

## Summary of Environmental and Social Aspects

Environmental Aspects	The program has no adverse impact on the environment.
Involuntary Resettlement	The program has no impact on involuntary resettlement.
Indigenous Peoples	The program has no impact on indigenous people.

### Stakeholder Communication, Participation, and Consultation

During Project Design	The Ministry of Finance and Economic Development (MFED), as the executing agency, oversaw timely implementation of the agreed policy actions by the implementing agencies, and is responsible for program administration, disbursements, and maintaining all records. The MFED, through the CPU, was the implementing agency for output 1. The MFED, through the Public Enterprise Monitoring Unit, (i) implemented output 2.1; (ii) acted as the joint implementing agency with the Ministry of Foreign Affairs, Environment, Trade, Labor and Tourism for output 2.2; and (iii) acted as the joint implementing agency with the Ministry of Public Utilities for output 2.3. The MFED was the sole implementing agency for output 3. Ongoing TA (footnote 13) helped the government fulfill program conditions. ADB and other development partners supporting the PRM process agreed to a high-level coordination and monitoring mechanism comprising members of the TTF advisory committee representatives of the governments of Tuvalu, Australia, and New Zealand who will monitor the implementation progress of the PRM.
During Project Implementation	Implementation period. The program is being implemented from 1 August 2014 to 30 October 2015, consistent with the government's medium-term fiscal framework and budget cycle. Procurement and disbursement. The proceeds of the grant will be disbursed in accordance with ADB's simplification of disbursement procedures and related requirements for policy-based grants. The proceeds will be used to finance the foreign exchange cost of items produced and procured in ADB member countries, excluding items included in a list of ineligible items and imports financed by other bilateral and multilateral sources. Grant proceeds disbursed against imports will require a certificate from the government stipulating that the value of the total imports of Tuvalu, minus its imports from nonmember countries, ineligible imports, and imports financed under other official development assistance, is greater than the amount of the grant expected to be disbursed during a particular year. ADB will have the right to audit the use of the grant proceeds and to verify the accuracy of the government's certification.

## Responsible Staff

Responsible ADB Officer	Olsson, Sivou Beatrice
Responsible ADB Department	Pacific Department
Responsible ADB Division	Pacific Subregional Office in Suva, Fiji
Executing Agencies	<i>Ministry of Finance and Economic Development Private Bag Funafuti Tuvalu</i>

## Timetable

Concept Clearance	19 Jul 2015
Fact Finding	11 Jun 2015 to 18 Jun 2015
MRM	31 Jul 2015
Approval	30 Sep 2015
Last Review Mission	-
Last PDS Update	14 Oct 2015

## Grant 0442-TUV

Milestones					
Approval	Signing Date	Effectivity Date	Closing		
			Original	Revised	Actual
30 Sep 2015	09 Oct 2015	19 Oct 2015	30 Oct 2015	-	24 Nov 2015

Financing Plan		Grant Utilization			
	Total (Amount in US\$ million)	Date	ADB	Others	Net Percentage
Project Cost	3.50	Cumulative Contract Awards			
ADB	2.00	30 Sep 2015	2.00	0.00	100%
Counterpart	0.00	Cumulative Disbursements			
Cofinancing	1.50	30 Sep 2015	2.00	0.00	100%

Project Page <https://www.adb.org/projects/47318-001/main>

Request for Information <http://www.adb.org/forms/request-information-form?subject=47318-001>

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