



# Technical Assistance Report

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Project Number: 55225-001  
Transaction Technical Assistance Facility (F-TRTA)  
December 2021

## Islamic Republic of Pakistan: Preparing Climate-Resilient Agriculture and Natural Resources Development Projects

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Asian Development Bank

## CURRENCY EQUIVALENTS

(as of 8 November 2021)

Currency unit	–	Pakistan rupee/s (PRs/PRs)
PRs1.00	=	\$0.0059
\$1.00	=	PRs170.005

## ABBREVIATIONS

ADB	–	Asian Development Bank
ANR	–	agriculture, natural resources, and rural development
COVID-19	–	coronavirus disease
NDC	–	Nationally Determined Contribution
PRF	–	project readiness financing
TA	–	technical assistance

## NOTE

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

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## TRANSACTION TECHNICAL ASSISTANCE AT A GLANCE

<b>1. Basic Data</b>		<b>Project Number: 55225-001</b>	
<b>Project Name</b>	Preparing Climate-Resilient Agriculture and Natural Resources Development Projects	<b>Department/Division</b>	CWRD/CWER
<b>Nature of Activity Modality</b>	Project Preparation Facility	<b>Executing Agency</b>	Planning & Dev.Dept.,Gov't of Khyber Pakhtunkhwa, Planning and Development Board, Government of the Punjab
<b>Country</b>	Pakistan		
<b>2. Sector</b>	<b>Subsector(s)</b>	<b>ADB Financing (\$ million)</b>	
✓ Agriculture, natural resources and rural development	Agricultural production		1.00
	Irrigation		1.00
	Water-based natural resources management		1.00
		<b>Total</b>	<b>3.00</b>
<b>3. Operational Priorities</b>		<b>Climate Change Information</b>	
✓ Addressing remaining poverty and reducing inequalities		GHG Reductions (tons per annum)	0.000
✓ Accelerating progress in gender equality		Climate Change impact on the Project	Low
✓ Tackling climate change, building climate and disaster resilience, and enhancing environmental sustainability		<b>ADB Financing</b>	
✓ Promoting rural development and food security		Adaptation (\$ million)	0.75
		Mitigation (\$ million)	0.00
		<b>Cofinancing</b>	
		Adaptation (\$ million)	0.00
		Mitigation (\$ million)	0.00
<b>Sustainable Development Goals</b>		<b>Gender Equity and Mainstreaming</b>	
SDG 1.5		Effective gender mainstreaming (EGM)	✓
SDG 2.3, 2.4			
SDG 5.5		<b>Poverty Targeting</b>	
SDG 6.5		General Intervention on Poverty	✓
SDG 13.a			
<b>4. Risk Categorization</b>	Complex		
<b>5. Safeguard Categorization</b>	Safeguard Policy Statement does not apply		
<b>6. Financing</b>			
<b>Modality and Sources</b>		<b>Amount (\$ million)</b>	
<b>ADB</b>		<b>3.00</b>	
Transaction technical assistance: Climate Change Fund		0.75	
Transaction technical assistance: Technical Assistance Special Fund		2.25	
<b>Cofinancing</b>		<b>0.00</b>	
None		0.00	
<b>Counterpart</b>		<b>0.00</b>	
None		0.00	
<b>Total</b>		<b>3.00</b>	
<b>Currency of ADB Financing: US Dollar</b>			

## I. THE TECHNICAL ASSISTANCE FACILITY

### A. Justification

1. The transaction technical assistance (TA) facility will support the development of climate-resilient solutions and efficient project implementation in the agriculture, natural resources, and rural development (ANR) sector in Pakistan. The TA facility will help ensure projects are grounded in strategic sector and climate change assessments, respond to the specific needs of women working in agriculture, have a high level of procurement and safeguards readiness, and provide innovative and integrated solutions. This will be achieved through a combination of upstream analytical work, project processing and readiness support, policy advisory and capacity building, and implementation support. The support will be focused on Khyber Pakhtunkhwa and Punjab provinces, primary areas of Asian Development Bank (ADB) activities in the sector (Appendix 1). This TA facility consolidates planned stand-alone transaction TAs identified in ADB's country operations business plan for Pakistan, 2021–2023.<sup>1</sup>

2. **Sector challenges.** The ANR sector in Pakistan requires holistic and strategic solutions to modernize its infrastructure, management, and value chains. This is to ensure it can deliver adequate food and livelihoods for a growing population and competing demands for finite natural resources within an increasingly variable climate. Agriculture's share in the country's gross domestic product has declined from 30% in 1985 to about 19% in 2019.<sup>2</sup> The sector still employs about 40% of the total labor force. It is a primary source of livelihoods particularly for the rural poor and women.<sup>3</sup> Agriculture yield and productivity per unit of water is below global and regional averages. This is because of growing scarcity of reliable, good quality water supply; land degradation, and mismanagement of agricultural production and water resources.<sup>4</sup> Irrigation system water requirements have increased because of rising cropping intensities and high water-consuming crops. This is exacerbated by low irrigation efficiency of about 40%. Surface water availability has remained largely unchanged since the 1970s. Expansion and intensification of agriculture has been made possible by unsustainable and unregulated groundwater extraction (footnote 4).

3. **Climate change.** Climate risks are to be considered for future investments. There is otherwise a risk that projects will not achieve intended development outcomes, deplete limited government resources, or be detrimental to beneficiaries. Pakistan consistently ranks among countries most vulnerable to climate change and most adversely affected by extreme weather events.<sup>5</sup> Much of the population, particularly those in the rural areas, is highly exposed and dependent on weather-related inputs. Emerging and rising climate-related risks to the ANR sector include extreme heat events, increased evapotranspiration and water requirements, intense precipitation and flood events, uncertain future water flows, and drought.<sup>6</sup> In the absence of adequate adaptation, yield declines in many key crops are also predicted. The Government of Pakistan's Nationally Determined Contribution (NDC) to the Paris Agreement prioritizes addressing the climate change vulnerabilities of water, agriculture, and infrastructure (including irrigation systems). It identifies an estimated adaptation financing requirement of \$7 billion–\$14

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<sup>1</sup> ADB. 2021. [Country Operations Business Plan: Pakistan, 2021–2023](#). Manila.

<sup>2</sup> Gross domestic product. [Pakistan Bureau of Statistics](#).

<sup>3</sup> Government of Pakistan, Ministry of Finance. 2019. *Pakistan Economic Survey 2018–2019*. Islamabad.

<sup>4</sup> World Bank. 2019. *Pakistan: Getting More from Water*. Washington, DC.

<sup>5</sup> Germanwatch. 2019. *Global Climate Risk Index 2020*. Bonn; and Notre Dame Global Adaptation Initiative. [ND-GAIN Index](#).

<sup>6</sup> Asian Development Bank and World Bank. 2021. [Climate Risk Country Profile: Pakistan](#). Washington DC and Manila.

billion per year.<sup>7</sup> At the provincial level, sector departments lack capacity to develop and implement sector-level adaptation strategies and plans, particularly incorporating best available approaches and scientific findings.

4. **Gender.** Around three-quarters of women in the labor force in Pakistan work in the agriculture sector. Although women in Pakistan have statutory rights to own land, customary practices limit their access to land. Only 1%–2% of women individually own land and about 10% have joint ownership with their spouses, but with little effective control over land despite strong involvement and understanding of needs, women have limited voice. Poor access to land and limited engagement in economic activities are detrimental to rural women’s agricultural productivity. Women and children are disproportionately affected by disasters caused by natural hazards, including those likely to be exacerbated by climate change. The TA facility will support gender-inclusive stakeholder engagement to plan and design projects that will strengthen women’s access to decision making, address existing gender norms that create barriers to their participation in ANR, and create opportunities for women to gain skills. This includes gender-inclusive capacity building for agriculture production and climate risk management, and improved agriculture services and community facilities.

5. **Government priorities.** The TA facility will support the national and provincial development priorities for the agriculture and natural resources sector. These include Pakistan Vision 2025, Pakistan’s National Water Policy (2018), provincial water policies and acts, and NDC to the Paris Agreement (footnote 7), the Khyber Pakhtunkhwa Integrated Water Resources Management Strategy, the respective Khyber Pakhtunkhwa and Punjab draft climate change policies.<sup>8</sup> The Government of Punjab’s Growth Strategy 2023 prioritizes adapting to climate change, water availability, agricultural productivity, and sustainable water resources management.<sup>9</sup> The key strategic sector objectives of the Government of Khyber Pakhtunkhwa’s medium-term development framework for 2019–2023 are improved water resource management including improved efficiency of irrigation water usage.<sup>10</sup> The TA facility is aligned with ADB’s Strategy 2030 operational priorities of (i) addressing remaining poverty and reducing inequalities, (ii) accelerating progress in gender equality, (iii) building climate resilience, and (iv) promoting rural development and food security.<sup>11</sup> The facility directly supports pillar 2 and 3 of ADB’s country partnership strategy for Pakistan, 2021–2025 for (i) strengthening resilience to the aftermath of the COVID-19 pandemic on the rural economy, climate change adaptation and reducing economic and social vulnerabilities; and (ii) investing in value chain rural infrastructure development.<sup>12</sup>

6. **Lessons learned.** The TA facility will support a more programmatic approach to project processing and implementation. This is required to address future challenges more efficiently and effectively than stand-alone and discrete interventions, which may have fewer cumulative impacts. ADB’s ANR portfolio has suffered from low project readiness, delays in contract awards and

<sup>7</sup> Government of Pakistan. 2016. *Intended Nationally Determined Contribution. United National Framework Convention on Climate Change Paris Agreement*. Islamabad.

<sup>8</sup> Ministry of Planning. [Pakistan 2025: One Nation – One Vision](#). Islamabad; Government of Pakistan, Ministry of Water Resources. 2018. *National Water Policy 2018*. Islamabad; and Government of Khyber Pakhtunkhwa. 2020. *Water Act 2020*. Peshawar.

<sup>9</sup> Planning and Development Board, the Government of Punjab. 2020. *Punjab Growth Strategy 2023*. Lahore.

<sup>10</sup> Planning and Development, the Government of Khyber Pakhtunkhwa. 2019. *Sustainable Development Strategy: A Medium-Term Development Framework for Khyber Pakhtunkhwa for 2019-23*. Peshawar.

<sup>11</sup> ADB. 2018. [Strategy 2030: Achieving a Prosperous, Inclusive, Resilient, and Sustainable Asia and the Pacific](#). Manila.

<sup>12</sup> ADB. 2020. [Country Partnership Strategy: Pakistan, 2021–2025—Lifting Growth, Building Resilience, Increasing Competitiveness](#). Manila.

disbursements, and time overruns. It is also characterized by mainly stand-alone investments, rather than strategic and efficient lending modalities.<sup>13</sup> The ADB Independent Evaluation Department's (IED) recent validation report for the country partnership strategy for Pakistan, 2015–2019 highlighted the need to integrate institutional development and policy advisory with infrastructure investment to strengthen sustainability and transformative impact.<sup>14</sup> The IED sector-wide evaluation of ADB's support for the ANR sector recommended more robust sector diagnostics through increased technical assistance, and strengthening project pipelines and quality-at-entry processes. It also identified expanding focus on broader water resource management and climate change.<sup>15</sup>

7. Using a TA facility instead of single-project transaction TAs ensures more consistent and holistic support for the ANR project pipeline and associated government counterparts. It will also be more administratively efficient. The TA facility will enable more strategic programming decisions, integrated project interventions, improved safeguards and procurement readiness, and strengthening of institutions and policymaking. It will ensure project rationale and design is anchored in adequate upstream thematic and climate change analysis. More efficient lending modalities, including multi-tranche financing facilities, can be explored. Investments can be supported by associated policy advice and capacity building. Consultants can be mobilized across multiple projects and counterparts, ensuring more consistent quality of deliverables and lower costs.

8. **Ensuing projects.** The TA facility will support processing and readiness activities for three ensuing irrigation and water resources management projects in Khyber Pakhtunkhwa and Punjab provinces (Table 1).<sup>16</sup> All ensuing projects are associated with ongoing or proposed project readiness financing (PRF).<sup>17</sup> The PRFs cover (i) preparation and updating of feasibility studies; (ii) economic analysis, procurement risk assessment, and safeguards due diligence; (iii) gender and social assessment including gender action plan; (iv) detailed design; and (v) initiation of project readiness and startup, such as establishing the project implementation unit, safeguards implementation, and advanced procurement. The TA facility will support the PRF's quality outputs through (i) early-stage upstream stakeholder engagement, scoping, and initial assessments for safeguards and gender due diligence; and (ii) review and enhancement by international consultants to integrate best international practices and quality solutions in the project design. The TA facility will also prepare supplementary documentation and due diligence not included in the PRFs, including financial management assessments, financial analysis, and strategic procurement plans. Delineation of PRF and TA facility tasks is shown in Appendix 2.

<sup>13</sup> Only one multi-tranche financing facility has been approved for the ANR sector in Pakistan since 2005: ADB. [PAK: Punjab Irrigated Agriculture Investment Program](#).

<sup>14</sup> Independent Evaluation Department. 2020. [Pakistan: Validation of the Country Partnership Strategy Final Review, 2015–2019](#). Manila: ADB and ADB. 2015. [Country Partnership Strategy: Pakistan, 2015–2019](#). Manila.

<sup>15</sup> ADB. 2018. [Sector-wide Evaluation: ADB's Support for the Agriculture, Natural Resources, and Rural Development Sector](#). Manila.

<sup>16</sup> The list of projects may be amended during implementation as required and requested by the Government of Pakistan.

<sup>17</sup> ADB. 2019. [Punjab Water Resources Management Projects](#) (approved project readiness financing, totaling \$8.32 million); and proposed project readiness financing for *Khyber Pakhtunkhwa Water Resources Development Project* (expected \$7 million, targeted for approval in 2022).

**Table 1: Program of Ensuing Projects to be Processed**

Ensuing Projects	Description
Upper Jhelum Canal System Water Productivity Improvement Project (\$100 million, 2023 approval) <sup>a</sup>	<ul style="list-style-type: none"> <li>irrigation system improvements and modernization</li> <li>benefiting 1.47 million hectares</li> <li>eight districts of central Punjab</li> </ul>
Punjab Link Canals Water Productivity Improvement Project (\$80 million, 2024 approval) <sup>b</sup>	<ul style="list-style-type: none"> <li>irrigation system improvements and modernization in inter-river transfer link canals</li> <li>benefiting areas of Lower Bari Doab, Fordwah, Eastern Sadiqia, and Pakpattan irrigation systems</li> </ul>
Khyber Pakhtunkhwa Water Resources Development Project (\$150 million, 2024 approval)	<ul style="list-style-type: none"> <li>upgrade and/or add new irrigated agriculture systems</li> <li>benefiting about 30,000 hectares</li> <li>central and northern Khyber Pakhtunkhwa</li> </ul>

<sup>a</sup> Previously referred to as “Modernization of Upper Jhelum Canal System Project” in the Punjab PRF (footnote 17).

<sup>b</sup> Previously referred to as “Remodeling of Rasul–Qadirabad, Qadirabad–Balloki, and Balloki–Sulemanki Canals Project” in the Punjab PRF (footnote 17).

Note: The gender category for all projects is expected to be *effective gender mainstreaming*.

Source: Asian Development Bank.

## B. Outputs and Activities

9. The TA outcome is investment projects with climate-resilient solutions prepared.

10. **Output 1: Integrated climate change risk assessment prepared.** The pipeline of ANR investment projects in Khyber Pakhtunkhwa and Punjab will be enhanced to incorporate strategic planning for climate change adaptation.<sup>18</sup> Through a stakeholder consultation process, a strategic adaptation plan for the ANR sector will be prepared for each province using adaptation pathways and similar planning tools. Basin and sub-basin level climate change risks will be assessed, incorporating updated climate, hydrological, and crop modeling. Systemic climate-related risks will be identified beyond the direct risks to ANR infrastructure and beneficiaries, including upstream and downstream transboundary impacts. A household survey will be conducted to identify links between the coronavirus disease (COVID-19) impacts, climate risks, and adaptation opportunities. Priority adaptation investments will be identified through (i) strengthening adaptation entry-points of planned projects, and (ii) developing prospective new adaptation projects. Investments that effectively support a gender-inclusive resilient COVID-19 recovery among the most vulnerable communities will be prioritized.<sup>19</sup> Opportunities for community-driven, and private sector-driven resilience investments will be explored. Results of the integrated assessment support the project-level climate assessments prepared for the three ensuing projects under their respective PRFs. The TA facility will additionally prepare at least two pre-feasibility studies (one each for Khyber Pakhtunkhwa and Punjab) for priority new investments incorporating innovative adaptation measures.

11. **Output 2: Project processing and readiness enhanced.** Three ensuing projects in Khyber Pakhtunkhwa and Punjab will be prepared with modern and holistic solutions and a high degree of safeguards and procurement readiness. The TA facility will support and enhance the activities of the respective project PRFs to ensure quality and best practice solutions are well integrated. TA facility activities are expected to include (i) support for development of project scope, frameworks, modalities, and approaches; (ii) review and update documents prepared

<sup>18</sup> It is intended that this would be classified as ‘Type 2’ adaptation investment projects under ADB nomenclature i.e., representing projects predicated on climate change adaptation. ADB. 2020. [Principles of Climate Risk Management for Climate Proofing Projects](#). Manila.

<sup>19</sup> This includes targets and activities that narrow gender disparities and promote women’s empowerment. Analysis of gender-related issues and engagement of women will be ensured in the conduct of stakeholder consultations, sex-disaggregated household survey, and development of priority investments.



under the PRFs including feasibility study, gender assessment and plan, due diligence, detailed design, and bidding documents; (iii) conduct early-stage screening, stakeholder engagement, scoping, and initial assessment for safeguards and gender due diligence; (iv) prepare additional selected supplementary project documentation not covered under the PRFs including financial management assessment, financial analysis, and strategic procurement plan; and (v) support advanced procurement activities and early stage safeguards implementation for project readiness.

12. **Output 3: Capacity building and advisory support provided.** Strategic planning, policymaking, and project implementation will be enhanced among key government counterparts in the ANR sector. Selected thematic analysis and policy advisory will be provided in key ANR sector areas. This will include integrated river basin and sub-basin management, agriculture value chain development, groundwater management, agronomy, nature-based solutions, and institutional development. Capacity building will be provided to government counterparts and stakeholders on safeguards and gender. The outputs will support gender-sensitive strategic planning for future interventions and investment by identifying opportunities for best practice, high-level technology, and holistic irrigated agriculture development. Support will also be provided to facilitate efficient project implementation for project coordination, monitoring and reporting, procurement, and safeguards. This includes capacity building for executing and implementing agencies and review of documentation.

### C. Cost and Financing

13. The TA facility is estimated to cost \$3.09 million, of which (i) \$2.25 million will be financed on a grant basis by ADB's Technical Assistance Special Fund (TASF 7), and (ii) \$0.75 million will be financed on a grant basis by the Climate Change Fund.<sup>20</sup> The key expenditure items are listed in Appendix 3.

14. The governments of Khyber Pakhtunkhwa and Punjab will provide counterpart support in the form of counterpart staff, meeting facilitation, data access, and other in-kind support. The government contribution is estimated to account for 3% of the total TASF 7 and Climate Change Fund financing, which is \$90,000. The government was informed that approval of the TA does not commit ADB to finance any ensuing projects.

### D. Implementation Arrangements

15. ADB will coordinate and administer the TA facility. The executing agencies, the Khyber Pakhtunkhwa Planning and Development Department and the Punjab Planning and Development Board, will oversee and coordinate the facility's multi-disciplinary activities among counterparts and stakeholders. ADB will work closely with designated counterparts including the Khyber Pakhtunkhwa Agriculture Department, Khyber Pakhtunkhwa Irrigation Department, Punjab Agriculture Department, and Punjab Irrigation Department. These departments are anticipated to be the executing or implementing agencies for the ensuing projects. The Environment, Natural Resources, and Agriculture Division of the Central and West Asia Department will implement the TA facility. It will select, administer, supervise, and evaluate the consultants' outputs to be delivered for the respective outputs and projects.

16. The implementation arrangements are summarized in Table 2. The TA is rated *complex*.<sup>21</sup>

<sup>20</sup> Established by ADB. The Climate Change Fund will finance activities under output 1 of the TA facility.

<sup>21</sup> The ensuing proposed Khyber Pakhtunkhwa Water Resources Development Project is expected to be categorized A for environment and involuntary resettlement.

**Table 2: Implementation Arrangements**

Aspects	Arrangements		
Indicative implementation period	December 2021–December 2024		
Executing agency	Government of Punjab: Planning and Development Board Government of Khyber Pakhtunkhwa: Planning and Development Department		
Implementing agencies	Implementing agencies of the ensuing and ongoing projects: (i) Government of Punjab: Irrigation Department; Agriculture Department (ii) Government of Khyber Pakhtunkhwa: Irrigation Department; Agriculture Department (iii) Other relevant agencies specific to each project to be identified during TA facility implementation.		
Consultants	To be selected and engaged by ADB		
	Firm: QCBS 90:10	Climate change assessment consultants	\$0.75 million
	Firm: QCBS 90:10	Irrigation and agriculture consultants	\$1.03 million
	Firm: QCBS 90:10	Safeguards and gender consultants	\$0.33 million
	10 Individuals: individual selection	International (34.5 person-months)	\$0.69 million
	4 Individuals: individual selection	National (25 person-months)	\$0.20 million
Disbursement	The TA resources will be disbursed following ADB's <i>Technical Assistance Disbursement Handbook</i> (2020, as amended from time to time). The funds disbursed under this TA facility shall be administered by ADB.		

ADB = Asian Development Bank, QCBS = quality- and cost-based selection, TA = technical assistance.  
Source: Asian Development Bank.

17. **Consulting services.** ADB will engage the consultants following ADB Procurement Policy (2017, as amended from time to time) and its associated staff instructions.<sup>22</sup> Indicative consultant inputs are provided in Appendix 4. Consulting firms will be recruited using the quality- and cost-based selection method with a 90:10 ratio of quality to cost, considering the high degree of specialism required in the assignments. Consultant inputs have been balanced between firm and individual inputs. This is to maximize efficiency of administration and targeting of specialist skills. The approach draws from lessons learned in recent ADB TAs in Pakistan in the ANR and water and urban services sectors and the identified needs of the implementation agencies. Firms will be used where overall scope of work is generally well defined and deliverables require the coordinated input of a team. Individuals will be used when a high degree of specialism is required to identify innovative solutions and provide more hands-on advisory support. A firm led by an international team leader will be recruited to prepare the integrated climate change assessment under output 1, to be financed by the Climate Change Fund. A second firm led by an international team leader will be recruited to support irrigation and agriculture activities under output 2. A third firm led by an international team leader will be recruited to support safeguards and gender activities for processing and readiness under output 2 and capacity building under output 3. An additional 10 individual international and 4 individual national specialists will be recruited to

<sup>22</sup> Terms of Reference for Consultants (accessible from the list of linked documents in Appendix 5).

support further processing and readiness under output 2, and provide policy advisory, capacity building, and project implementation support under output 3.

## **II. PRESIDENT'S DECISION**

18. The President, acting under the authority delegated by the Board, has approved the provision of technical assistance not exceeding the equivalent of \$3,000,000 on a grant basis to the Islamic Republic of Pakistan for Preparing Climate-Resilient Agriculture and Natural Resources Development Projects, and hereby reports this action to the Board.

### ADB AGRICULTURE, NATURAL RESOURCES, AND RURAL DEVELOPMENT INVESTMENTS IN PAKISTAN

Loan/Grant <sup>a</sup>	Loan Amount (\$ million)	Grant Amount (\$ Million)	Project Implementation Period <sup>b</sup>	Status	Province
<b>Ongoing Investments</b>					
Loans 3159/3160-PAK: Trimmu Panjnad and Islam Barrages Improvement Project	150.0	-	2014–2023	Ongoing	Punjab
Loan 3599-PAK: Jalalpur Irrigation Project	274.6	-	2017–2024	Ongoing	Punjab
Loan 3239-PAK: FATA Water Resources Development Project	37.1	-	2014–2022	Ongoing	Khyber Pakhtunkhwa
Loan 3470-PAK: Pehur High Level Canal Extension Project	86.4	-	2016–2023	Ongoing	Khyber Pakhtunkhwa
Loan 3700-PAK: Balochistan Water Resources Sector Development Project	100.0	5.0	2018–2024	Ongoing	Balochistan
<b>Subtotal of Ongoing Investments</b>	<b>648.1</b>	<b>5.0</b>			
<b>Proposed Investments</b>					
Greater Thal Canal Project	200.0	-	2021–2028	Proposed	Punjab
Punjab Agriculture Markets Development	100.0	4.0	2022–tbd	Proposed	Punjab
Upper Jhelum Canal System Water Productivity Improvement Project	100.0	-	2023–tbd	Proposed	Punjab
Revitalization and Reintegration of River Ravi Project	100.0	-	2024–tbd	Proposed	Punjab
Punjab Link Canals Water Productivity Improvement Project	80.0	-	2024–tbd	Proposed	Punjab
Punjab Modernized Agriculture Enhancement and Markets Development	180.0	-	2024–tbd	Proposed	Punjab
Sustainable Food Security and Climate-Resilient Agriculture Sector Development	150.0	-	2023–tbd	Proposed	Federal
Climate Policy Sector Development Program	100.0	-	2024–tbd	Proposed	Federal
Kurram Tangi Water Resources Development Project	300.0	-	2024–tbd	Proposed	Federal
Naulong Multipurpose Development	100.0	-	2024–tbd	Proposed	Balochistan
Khyber Pakhtunkhwa Water Resources Development Project	150.0	-	2024–tbd	Proposed	Khyber Pakhtunkhwa
Sindh Coastal Resilience Project	100.0	-	2024–tbd	Proposed	Sindh
<b>Subtotal of Proposed Investments</b>	<b>1660.0</b>	<b>4.0</b>			
<b>Total</b>	<b>2308.1</b>	<b>9.0</b>			

FATA = Federally Administered Tribal Areas, PAK = Pakistan, tbd = to be determined.

<sup>a</sup> Excludes project readiness financing.

<sup>b</sup> Loan approval to loan closure.

Source: ADB. 2021. [Country Operations Business Plan: Pakistan, 2021–2023](#). Manila.

## ALIGNMENT OF TA FACILITY AND PROJECT READINESS FINANCING

Output	F-TRTA Proposed Deliverables	PRF <sup>a</sup> Corresponding Deliverables
<b>Output 1: Integrated climate change risk assessment prepared</b>	<ul style="list-style-type: none"> <li>• Sub-basin level systemic risk assessment</li> <li>• Project pipeline enhancement</li> <li>• Develop prospective future adaptation-oriented projects</li> </ul>	<ul style="list-style-type: none"> <li>• Project-level climate risk assessment, focusing on project assets</li> </ul>
<b>Output 2: Project processing and readiness enhanced</b>	<ul style="list-style-type: none"> <li>• Expert review, oversight and update of PRF outputs for best practice on technical, economics, financial, gender, and procurement issues</li> <li>• Early-stage stakeholder engagement and support for safeguards and gender due diligence</li> <li>• Expert review and oversight on safeguards and procurement readiness activities</li> <li>• Additional draft documents not covered by PRF, including financial management assessment, financial analysis, and strategic procurement plan.</li> </ul>	<ul style="list-style-type: none"> <li>• Draft government documents</li> <li>• Updated feasibility study</li> <li>• Safeguards due diligence</li> <li>• Economic analysis</li> <li>• Procurement risk assessment and tender documents</li> <li>• Gender and social assessment including gender action plan</li> <li>• Detailed design</li> <li>• Readiness and startup</li> </ul>
<b>Output 3: Capacity building and advisory support provided</b>	<ul style="list-style-type: none"> <li>• Policy advisory and thematic analysis</li> <li>• Institutional capacity building</li> <li>• Project implementation support</li> </ul>	Not applicable

F-TRTA = transaction technical assistance facility, PRF = project readiness financing.

<sup>a</sup> ADB. [Punjab Water Resources Management Projects](#) (ongoing PRF, totaling \$8.32 million); and proposed project readiness financing for Khyber Pakhtunkhwa Water Resources Development Project (estimated \$7 million, targeted for approval in 2022).

Source: Asian Development Bank.

**COST ESTIMATES AND FINANCING PLAN**  
(\$'000)

Item	Amount
<b>A. Asian Development Bank<sup>a</sup></b>	
1. Consultants	
a. Remuneration and per diem	
i. International consultants	1,502.0
ii. National consultants	421.1
b. Out-of-pocket expenditures	
i. International and local travel	87.9
ii. Studies and surveys <sup>b</sup>	115.0
iii. Training, seminars, and conferences <sup>c</sup>	10.0
iv. Reports and communications	1.5
2. Miscellaneous administration and support costs <sup>d</sup>	0.0
3. Contingencies	112.5
<b>Subtotal (A)</b>	<b>2,250.0</b>
<b>B. Climate Change Fund<sup>e</sup></b>	
1. Consultants	
a. Remuneration and per diem	
i. International consultants	348.8
ii. National consultants	190.6
b. Out-of-pocket expenditures	
i. International and local travel	31.0
ii. Office space rental and related facilities	5.0
iii. Studies and surveys <sup>f</sup>	120.0
iv. Training, seminars, and conferences <sup>g</sup>	7.0
v. Reports and communications	0.5
2. Miscellaneous administration and support costs <sup>d</sup>	0.0
3. Contingencies	47.1
<b>Subtotal (B)</b>	<b>750.0</b>
<b>Total</b>	<b>3,000.0</b>

Note: The technical assistance (TA) is estimated to cost \$3.09 million, of which contributions from the Asian Development Bank and Climate Change Fund are presented in the table. The government will provide counterpart support in the form of counterpart staff, meeting facilitation, data access, and other in-kind contributions. The value of the government contribution is estimated to account for 3% of the total Asian Development Bank and Climate Change Fund contributions, which is \$90,000.

<sup>a</sup> Financed by the Asian Development Bank's Technical Assistance Special Fund (TASF 7).

<sup>b</sup> Topographic surveys, independent land valuation, and other field surveys and studies.

<sup>c</sup> In-country stakeholder workshops and seminars.

<sup>d</sup> Additional goods and non-consulting services.

<sup>e</sup> Established by the Asian Development Bank.

<sup>f</sup> Data acquisition, household surveys and focus group discussions, and other surveys and studies..

<sup>g</sup> In-country stakeholder workshops and seminars.

Source: Asian Development Bank estimates.

## PROJECTS UNDER TECHNICAL ASSISTANCE FACILITY

**Table A4.1: Indicative Consultants' Input Allocation**  
(person-month)

Item Indicative risk category	Total	Project 1 low risk	Project 2 low risk	Project 3 complex	Sector Support <sup>a</sup>
Climate Change Assessment (Firm)	46.50	2.00	2.00	2.00	40.50
Irrigation and Agriculture (Firm)	50.00	14.00	17.00	19.00	
Safeguards and Gender (Firm)	29.00	7.00	11.00	11.00	
Processing and Readiness (Individuals, International and National)	17.50	6.50	4.50	6.50	
Advisory and Capacity Building (Individuals, International)	24.00				24.00
Project Implementation (Individuals, National)	18.00				18.00

Notes:

Project 1: Upper Jhelum Canal System Water Productivity Improvement Project

Project 2: Punjab Link Canals Water Productivity Improvement Project

Project 3: Khyber Pakhtunkhwa Water Resources Development Project

<sup>a</sup> Sector-level assessment, advisory and capacity building, and project implementation support to government counterparts in the ANR sector

Source: Asian Development Bank.

**LIST OF LINKED DOCUMENTS**

<http://www.adb.org/Documents/LinkedDocs/?id=55225-001-TARreport>

1. Terms of Reference for Consultants