



Technical Assistance Report

PUBLIC

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Promoting Food Systems Transformation in South Asia

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Asian Development Bank

ABBREVIATIONS

ADB	–	Asian Development Bank
CPS	–	country partnership strategy
DMC	–	developing member country
SASEC	–	South Asia Subregional Economic Cooperation
TA	–	technical assistance
TASF	–	Technical Assistance Special Fund

NOTE

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

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^a On short-term assignment from the Central and West Asia Department.

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TECHNICAL ASSISTANCE AT A GLANCE

Project Data			
Project number	60038-001	Project name	Promoting Food Systems Transformation in South Asia
Nature of Activity	✓ Project Preparation	Modality	Facility-type
Country	REG (BAN, NEP, SRI)	Executing or implementing agency	Asian Development Bank
Department/Office	SD2/SD2-AFNR	Geographical location	Regional
Sector(s)	✓ Agriculture, natural resources and rural development	Subsector(s)	Agricultural policy, institutional and capacity development Agricultural production Agriculture research and application Agro-industry, marketing, and trade Irrigation Land-based natural resources management Rural flood protection Rural water policy, institutional and capacity development
Strategic Focus Area	✓ Resilience and empowerment Climate action Private sector development	Sustainable Development Goals	SDG 2.1, 2.4 SDG 6.4, 6.6 SDG 8.2, 8.4 SDG 9.1 SDG 17.7
Financing			
ADB Financing		Amount (\$ million)	
Technical Assistance Special Fund		1.65	
Cofinancing		Amount (\$ million)	
Water Resilience Trust Fund		1.00	
Counterpart		Amount (\$ million)	
None		0.00	
Total		2.65	
Currency of ADB Financing: US Dollar			
Climate Action			
Disaster Risk Management, Environment and Nature		Disaster risk reduction (DRR), Nature-based Solutions (including green infrastructure), Ocean and Coastal Management, Terrestrial Ecosystems	
Gender Equality			
Category	☐ Gender equality objective (GEN) ☒ Effective gender mainstreaming (EGM) ☐ Some gender elements (SGE) ☐ Indirect gender benefits (IGB)		
Poverty Reduction and Inclusion			
Category	☐ Poverty reduction and inclusion focus (PIF) ☒ Poverty reduction and inclusion elements (PIE) ☐ Indirect poverty reduction and inclusion (IPI)		
Regional Cooperation and Public Goods			
Category	☐ Pillar 1 ☐ Pillar 2 ☐ Pillar 3 ☒ Not applicable		
Private Sector Development			
Category	☐ Yes ☒ No		

I. INTRODUCTION

1. The technical assistance (TA) will support Bangladesh, Nepal, and Sri Lanka in developing integrated, investment-ready pipelines and projects to support food systems transformation in South Asia. The TA will undertake targeted analytical work and provide hands-on support for project identification, preparation, and readiness, including the development of project concepts, feasibility studies, and implementation arrangements. It will support the prioritization and sequencing of investments across landscapes, including elements related to water, agriculture, environment, and market systems, helping translate country priorities into bankable operations within an expanding agriculture, food, nature, and rural development pipeline. The TA-supported projects are listed in Annex 2.

2. The TA will support the preparation of ensuing projects and programs by strengthening project readiness, quality at entry, and pipeline coherence across participating developing member countries (DMCs). It is aligned with the Asian Development Bank (ADB) Strategy 2030 and its midterm review,¹ which emphasize focus on climate action, resilience and empowerment, and private sector development; and supports ADB's commitment to invest \$40 billion in food system transformation during 2022–2030.² The TA responds to country demand for stronger project preparation support and more integrated approaches to investment planning and delivery, aligned with country partnership strategies (CPS)³ and national priorities.

II. ISSUES

3. South Asia's food systems face increasing pressures from climate change, natural resource degradation, and structural inefficiencies in agrifood markets. Agriculture remains central to livelihoods, employing about 40% of the workforce, yet productivity and competitiveness are constrained by water scarcity, declining soil health, ecosystem degradation, and weak market systems. These challenges are particularly acute across interconnected landscapes, including mountain systems, river basins, floodplains, deltas, and coastal zones, where upstream environmental changes have cascading downstream impacts on agriculture, infrastructure, and livelihoods, especially of the poorest and most vulnerable. At the same time, countries face increasing demand to respond to these challenges with scalable and investment-ready projects.

4. **Translating policy into investment.** While governments have developed policies and strategies promoting climate resilience, water management, and agricultural development, significant gaps remain in translating these priorities into coherent, investment-ready pipelines. Investments are often planned and implemented in sector silos, limiting their effectiveness in resolving systemic constraints. Critical public-good investments, such as watershed management, sediment control, and ecosystem restoration, are difficult to finance through conventional sovereign lending, despite their importance in enabling downstream economic opportunities. A key constraint is the limited availability of resources and mechanisms to support integrated diagnostics, cross-sector investment planning, and project preparation at scale, resulting in fragmented pipelines and uneven quality at entry.

5. **Lessons from ADB operations.** ADB has supported a substantial portfolio of investments in agriculture, water, and natural resources in South Asia. However, experience

¹ ADB. 2018. [Strategy 2030: Achieving a Prosperous, Inclusive, Resilient, and Sustainable Asia and the Pacific](#); and ADB. 2024. [Strategy 2030 Midterm Review: An Evolution Approach for the Asian Development Bank](#).

² ADB. 2025. [Operational Approach for Food Systems Transformation in Asia and the Pacific \(2026–2030\)](#).

³ ADB. 2021. Bangladesh: Country Partnership Strategy (2021 -- 2025 (extended)); ADB. 2024. [Sri Lanka: Country Partnership Strategy \(2024 – 2028\)](#); ADB. 2025. [Nepal: Country Partnership Strategy \(2025 -- 2029\)](#).

shows that greater development impact can be achieved through stronger integration across sectors, improved sequencing of investments, and enhanced project preparation support, including a gender and social inclusion lens. Lessons from ongoing and completed TA operations indicate that upstream analytical work has limited impact unless linked to pipeline development and project preparation, while project support without a broader framework can lead to fragmented investments.⁴ ADB operations in South Asia show that women constitute a significant share of the workforce across agricultural and food system value chains,⁵ underscoring the importance of upstream gender analysis systematically linked to project design and preparation to ensure that women and girls derive direct and measurable benefits from investments.⁶ These lessons highlight the need for a more programmatic approach that connects diagnostics, pipeline development, and project preparation across sectors and landscapes, consistent with priorities identified in CPSs.

6. The TA fills these gaps by supporting integrated diagnostics, pipeline development, and project preparation and readiness across participating DMCs. It complements ongoing ADB TA in the region by focusing on early-stage project identification, strengthening pipeline coherence, and improving quality at entry, while leveraging synergies with existing sector-specific TA projects and investment operations.⁷ The TA will help translate country priorities into investment-ready operations and strengthen delivery of ADB's expanding food system portfolio. In particular, the participating DMCs are members of the South Asia Subregional Economic Cooperation (SASEC) program, under which ADB is advancing regional food systems work, spanning food security, food safety, and food trade within an economic corridor frame. The TA's country-level diagnostics and pipelines will be informed by, and contribute to, this regional agenda, ensuring complementarity and avoiding duplication.

III. THE TECHNICAL ASSISTANCE

A. Impacts and Outcome

7. The TA is aligned with the following impacts: climate-resilient and sustainable food systems in South Asia strengthened and low-carbon development and climate resilience in Asia

⁴ Other documented lessons include (i) using a multidimensional and interdisciplinary approach to food security; (ii) employing innovation and technology to increase productivity and sustainability; (iii) tapping innovative finance for mobilizing resources and leveraging private sector investment; (iv) strengthening technical partnerships, collaboration, and engagement with stakeholders and development agencies to achieve and sustain results; (v) enhancing knowledge by allocating resources toward developing road maps and sharing key findings and innovative approaches, ensuring that agricultural and value chain designs are replicable and scalable; (vi) managing TA scope to maximize pipeline development and processing rather than implementation support; and (vii) building readiness for ADB's Environmental and Social Framework and government requirements. ADB. 2026. [Technical Assistance Completion Report: Strengthening Capacity to Design and Implement Water and Rural Infrastructure Facility](#) (TA 9443-REG).

⁵ The Food and Agriculture Organization of the United Nations (FAO) reported that, in South Asia, agrifood systems account for about 71% of women's employment, compared with 47% of men's employment, making the sector a more important source of livelihoods for women. Women are engaged across agricultural and food system value chains, including production, processing, trading, and food services, although often in informal and lower paid roles. FAO. 2023. [The Status of Women in Agrifood Systems](#) (updated brief 2024).

⁶ Operations contribute to ADB's development result 4 (DR4): women and girls benefiting from greater gender equality, as articulated under [ADB. 2024. Corporate Results Framework 2025–2030](#).

⁷ The TA builds on and complements on-going TAs, including the F-TRTA [Strengthening Capacity to Design and Implement Climate Resilience Projects Facility](#); BAN: [Technology Demonstrations and Investment Opportunity Identification for Sustainable and Resilient Food Systems](#)

and the Pacific enhanced.⁸ The TA will have the following outcome: integrated, investment-ready food system operations developed in South Asia.⁹ Progress toward the outcome will be measured by (i) at least six integrated food system projects reaching advanced preparation stages through TA support, and (ii) three DMCs incorporating food systems investment pathways into CPSs, and/or country pipelines. As an upstream, project-preparation TA, these are proxy indicators: the full development benefits of the operations will materialize only once the ensuing investments are approved, financed, and implemented, beyond the TA period. The selected indicators therefore capture the readiness and pipeline-coherence gains the TA can directly influence, and reflect the uptake of the TA's diagnostics and analytics in concrete investment and programming decisions.

B. Outputs, Methods, and Activities

8. **Output 1: Integrated diagnostics and food system analytics strengthened.** The output will support preparation of integrated diagnostics across agrifood systems, water resources, and markets to identify priority constraints and investment opportunities. The TA will undertake targeted analytical work on climate risk, spatial dynamics, gender, poverty and social dimensions, and value chains, building on existing sector strategies and ADB analytical work. Outputs will be delivered through technical studies, working sessions with governments, and knowledge exchange activities. Findings will directly inform investment planning and project identification under output 2.

9. **Output 2: Programmatic investment frameworks and bankable food system pipelines developed.** Operating at the programmatic level, this output will develop country country investment frameworks and pipelines of priority projects. The TA will assist in identifying, prioritizing, and sequencing investments across sectors and landscapes, and in preparing operational plans aligned with CPSs. Activities will include structuring investment pathways, identifying financing options, and supporting the development of gender-transformative and socially inclusive bankable project concepts in close coordination with resident missions and government counterparts. The project concepts will directly feed into ADB pipeline development and project preparation under output 3.

10. **Output 3: Investment-ready projects and project readiness support delivered.** The output will provide direct support to the preparation and readiness of ADB-financed projects. The TA will support the preparation of key technical inputs for projects entering preparation, including feasibility analysis, safeguards, climate risk assessments, economic and financial analysis, and implementation arrangements. The TA will support institutional readiness, private sector engagement, and access to climate and blended finance. The output represents the core focus of the TA and will improve quality at entry, accelerate project processing, and strengthen implementation readiness across the portfolio.

11. **Innovative aspects.** The TA incorporates approaches new to participating DMCs that add value for clients. First, it integrates a food systems lens into landscape-level territorial investments, such as water and flood-resilient infrastructure, ensuring that food systems outcomes are considered and that effects on local livelihoods remain central to project design. Second, it embeds market systems development into diagnostics to examine the root causes of underperformance in the agriculture sector, linking these to desirable food systems improvements

⁸ ADB. 2023. [Steering ADB's Corporate Strategy to Success: Corporate Results Framework, 2025–2030](#). The impact aligns with indicator 7: strengthened climate and disaster resilience; and indicator 8: strengthened food and nutrition security. It will be aligned with DR4 (footnote 5).

⁹ The design and monitoring framework is included in the Appendix.

and landscape-level adaptation measures. Third, it supports the integration of advanced technologies, such as digital agriculture tools, AI-assisted weather forecasting and alerts, and digital twins as planning aids, to strengthen diagnostics, design, implementation, and DMC capacity.

12. **Focus on project preparation and pipeline delivery.** The TA will support the preparation of ensuing projects by providing technical, institutional, and policy inputs that accelerate processing and strengthen readiness across participating DMCs. It will help governments and ADB translate national priorities into coherent, cross-sector investment pipelines and develop investment-ready operations, including through preparation of project concepts, feasibility study inputs, and implementation arrangements. The TA will strengthen project readiness and quality at entry across participating DMCs.

13. **Rationale for regional TA.** The support required is most effectively delivered through a regional TA rather than standalone TA, as it requires multi-country analytical work, upstream diagnostics, and programmatic investment planning that extend beyond the scope and timelines of individual sovereign operations. The TA will support coordination across sectors and countries, improve pipeline coherence, and enhance efficiency in project preparation.

C. Cost and Financing

14. The TA financing amount is \$2.65 million, of which (i) \$1.65 million will be financed on a grant basis by ADB's Technical Assistance Special Fund,¹⁰ and (ii) \$1 million will be financed on a grant basis by the Water Resilience Trust Fund under the Water Financing Partnership Facility.¹¹

15. The governments of participating DMCs will provide counterpart support in the form of counterpart staff, office space, secretarial assistance, domestic transportation, and other in-kind contributions.

16. The total TA amount is broken down per output in Table 1.

Table 1: Cost Breakdown per Output

Output	Indicative Cost (\$)	Percentage of TA Amount (%)
Output 1: Integrated diagnostics and food system analytics strengthened	618,050	23.3
Output 2: Programmatic investment frameworks and bankable food system pipelines developed	914,050	34.5
Output 3: Investment-ready projects and project readiness support delivered	1,117,900	42.2
Total	2,650,000	100.0

TA = technical assistance.

Source: Asian Development Bank estimates.

D. Implementation Arrangements

¹⁰ Comprising (i) \$0.65 million from TASF 8 (of which \$0.20 million is allocated funds for Bangladesh, and \$0.45 million is allocated for Nepal) and \$1.00 million from TASF-other sources (from the Regional Cooperation and Integration Set-Aside for activities in Bangladesh and Sri Lanka).

¹¹ Financing partner: Government of the Netherlands, Administered by ADB.

17. ADB, through the Agriculture, Food, Nature, and Rural Development Sector Office (SD2-AFNR), will administer the TA and will be responsible for overall TA implementation, including planning, coordination, recruitment, supervision, and reporting. SD2-AFNR, in coordination with ADB resident missions in Bangladesh, Nepal, and Sri Lanka, will oversee the delivery of outputs, ensure alignment with country priorities and pipelines, and expedite engagement with government counterparts and development partners. As participating DMCs are SASEC members and SD2-AFNR engages in SASEC's regional food systems work, the TA will coordinate with that agenda through knowledge exchange, principally via a SD2-AFNR focal point participating in SASEC regional knowledge workshops.

18. The TA will support many ongoing and pipeline operations across multiple countries and subsectors. The scope of the TA is expected to expand substantially over the implementation period to support additional projects identified during country programming missions, by responding to government requests and by identifying new priority investment areas through upstream analytical work. The TA will rely on additional financing from trust funds and future resource mobilization to ensure adequate support for implementation. Any changes in the implementation arrangements will follow ADB's applicable project administration instructions and staff instructions. Implementation arrangements are summarized in Table 2.

Table 2: Implementation Arrangements

Aspects	Arrangements		
Indicative implementation period	June 2026–May 2032		
Executing agency	ADB, through the Agriculture, Food, Nature, and Rural Development Sector Office, Sectors Department 2		
Consultants ^a	To be selected and engaged by ADB		
	Firm: QCBS, SCQS, FBS, and framework contract through QBS	International or national expertise	\$1,150,000
	Individual: Framework agreements, individual selection, resource person	Assignments related to project preparation, implementation support, diagnostic studies, assessments, capacity building, due diligence, and technical expertise	\$872,000
Disbursement	Disbursement of technical assistance resources will follow ADB's <i>Technical Assistance Disbursement Handbook</i> (2020, as amended from time to time). Disbursements will be activity based, with the responsible ADB project officer indicating the fund source for all submitted requests for payments.		

ADB = Asian Development Bank, FBS = fixed budget selection, QBS = quality-based selection, QCBS = quality- and cost-based selection, SCQS = simplified consultants' qualification selection.

^a The information provided is indicative only.

Source: ADB.

19. **Consulting services.** ADB will engage consultants following the ADB Procurement Policy (2017, as amended from time to time) and associated staff instructions.¹² A mix of consulting firms and individual consultants will be engaged to provide technical, analytical, and project preparation support across outputs. Consultants will support upstream diagnostics, investment planning, and project preparation activities, including technical assessments, stakeholder consultations, and

¹² Terms of Reference for Consultants (Annex 3).

development of knowledge products. Where applicable, consultants will procure minor goods and services required for TA implementation in accordance with ADB procedures.

20. **ADB's visibility.** The TA team will ensure the use of signage and other visibility tools in TA-related events, such as workshops, conferences, and capacity-building activities, where applicable.

IV. THE PRESIDENT'S DECISION

21. The President, acting under the authority delegated by the Board, has approved (i) the Asian Development Bank (ADB) administering a portion of technical assistance not exceeding the equivalent of \$1,000,000 to be financed on a grant basis by the Water Resilience Trust Fund under the Water Financing Partnership Facility, and (ii) ADB providing the balance not exceeding the equivalent of \$1,650,000 on a grant basis for Promoting Food Systems Transformation in South Asia, and hereby reports this action to the Board.

DESIGN AND MONITORING FRAMEWORK

[illegible]

Results Chain	Performance Indicators	Data Sources and Reporting Mechanisms	Risks and Critical Assumptions
system pipelines developed	rural development operational plans developed, aligned with CPSs		
	2b. By 2032, at least five bankable, integrated project concepts, assigned as <i>gender equality objective</i> or <i>effective gender mainstreaming</i> , identified and included in ADB country pipelines	2b. ADB pipeline and programming documents, TA reports	
3. Investment-ready projects and project readiness support delivered	3a. By 2032, project design advisory and due diligence activities provided for at least six projects under preparation.	3a. ADB project documents (concept papers, RRs, processing milestones); TA progress reports	
	3b. By 2032, at least six projects receiving TA support meet applicable project readiness criteria before loan signing.	3b. Project readiness documentation, technical reports, TA progress reports	

Key Activities with Milestones

1. Integrated diagnostics and food system analytics strengthened

- 1.1 Conduct integrated diagnostics across priority landscapes and agrifood systems, including priority constraint analysis and investment opportunity scoping.
- 1.2 Diagnostics will incorporate key findings from targeted climate risk, spatial, gender, poverty and social, agrifood, and market system analyses to support investment planning across priority landscapes.
- 1.3 Produce technical knowledge studies and/or knowledge products and disseminate through country and regional workshops and exchanges.

2. Programmatic investment frameworks and bankable food system pipelines developed

- 2.1 Develop country investment frameworks and programmatic agriculture, food, nature, and rural development operational plans, aligning with CPS priorities and sector strategies.
- 2.2 Identify, prioritize, and sequence integrated investment opportunities across sectors and landscapes, integrating gender-transformative and social inclusion considerations, with TA support enabling at least five projects in Agriculture, Food, Nature, and Rural Development Sector Office, Sectors Department 2's 2026–2030 pipeline to meet gender equality objective or effective gender mainstreaming assignment.
- 2.3 Support bankable project concept development and integration into ADB country programming.

3. Investment-ready projects and project readiness support delivered

- 3.1 Prepare project concepts and feasibility inputs, including preliminary technical designs and investment structuring.
- 3.2 Prepare key technical inputs for project processing, including technical analysis and safeguards.
- 3.3 Support project readiness, including institutional coordination, private sector engagement, and financing structuring.

TA Management Activities

Recruit consultants and firms; manage contracts; coordinate with resident missions, government counterparts, and key development partners; monitor implementation; and prepare TA progress and completion reports.

Inputs

ADB: \$1,650,000 Technical Assistance Special Funds (TASF 8 and TASF-other sources)

Water Resilience Trust Fund under the Water Financing Partnership Facility: \$1,000,000 (grant)^d

Note: The governments of participating DMCs will provide counterpart support in the form of counterpart staff, office and housing accommodation, office supplies, secretarial assistance, domestic transport, and other in-kind contributions.

A = assumption, ADB = Asian Development Bank, CPS = country partnership strategy, DMC = developing member country, R = risk, RRP = report and recommendation of the President, TA = technical assistance.

^a ADB. 2025. [Operational Approach for Food Systems Transformation in Asia and the Pacific \(2026–2030\)](#).

^b ADB. 2018. [Strategy 2030: Achieving a Prosperous, Inclusive, Resilient, and Sustainable Asia and the Pacific](#); and [ADB. 2017. Climate Change Operational Framework 2017–2030](#).

^c Advanced preparation stage refers to post-concept paper approval, and stage at which due diligence has progressed to at least the fact-finding stage in ADB's project processing cycle.

^d Financing partner: Government of the Netherlands. Administered by ADB.

Contributions to ADB's Development Results and Alignment with the Sustainable Development Goals

A summary of the TA contributions to ADB's development results and alignment with the Sustainable Development Goals are presented in the Contributions to Strategy 2030 Development Results page in eOperations. This information is available from the TA team upon request.

Source: ADB.