

MULTITRANCHE FINANCING FACILITY COMPARATIVE MATRIX

Issues	Financing Modality		Remark
	MFF	Other Modalities	
Financing is for multiple projects under the government's investment program, i.e., the CAREC Corridor investment projects under the CAREC Transport Trade Facilitation Strategy 2020	MFF commits a long-term engagement in the government investment program and help the government systematically plan the financing for the whole investment program.	A series of stand-alone projects gives the government a signal of ADB's weak commitment and an uncertainty of financing for the whole investment program may loosen the government's ownership of the program.	MFF enables ADB to provide assistance programmatically and provides the government a comfort for the achievability of the investment program.
Long-term support and engagement in transport sector	<p>A 10-year engagement in the CAREC corridor development for 2018–2027 is well aligned with the sector roadmap and policy framework pursued since 2005 to develop the national trade corridor including the CAREC corridors to enable Pakistan to act as a regional hub.</p> <p>MFF ensures the stable stream and continuity of funding.</p>	A series of stand-alone projects will limit the likelihood of systematically carrying out the sector roadmap and sticking with the policy framework in line with the CAREC Transport and Trade Facilitation Strategy 2020.	MFF will enable ADB to push the government to focus on the CAREC corridor development, not distracted by unplanned investment needs mainly politically driven.
Policy dialogue and coordination in the transport sector	MFF provides an opportunity to have a platform for policy dialogue with the government and sector coordination with other development partners on a long-term basis.	A series of stand-alone projects will limit the influence of ADB's policy intervention.	MFF can facilitate policy dialogue on a more stable and longer-term basis.
Project readiness	MFF frontloads due diligence works to provide high project readiness and expedite progress, minimizing financing charges and improving disbursement efficiency.	Conducting due diligence for a series of standalone projects is cumbersome and time-consuming, leading to a lower project readiness within a same timeframe.	MFF can solve the long-time problem of project readiness, i.e., how to bridge the time gap between the feasibility assessment and detailed design.