



Technical Assistance Subproject Report

Project Number: 55278-002
Knowledge and Support Technical Assistance (KSTA)
November 2021

Asian Development Outlook 2022–2024 Subproject 1: Asian Development Outlook 2022

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Asian Development Bank

ABBREVIATIONS

ADB	–	Asian Development Bank
ADO	–	<i>Asian Development Outlook</i>
COVID-19	–	coronavirus disease
DMC	–	developing member country
DOC	–	Department of Communications
ERCD	–	Economic Research and Regional Cooperation Department
ERMR	–	Macroeconomics Research Division
ICT	–	information and communication technology
TA	–	technical assistance

NOTE

In this report, "\$" refers to United States dollars

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CONTENTS

	Page
KNOWLEDGE AND SUPPORT TECHNICAL ASSISTANCE AT A GLANCE	
CONTENTS	1
KNOWLEDGE AND SUPPORT TECHNICAL ASSISTANCE AT A GLANCE	2
I. THE TECHNICAL ASSISTANCE SUBPROJECT	1
A. Overall Progress of the Technical Assistance Cluster	1
B. Subproject Outcome	1
C. Subproject Outputs, Methods, and Activities	1
D. Subproject Cost and Financing	3
E. Subproject Implementation Arrangements	3
APPENDIXES	
1. Subproject Design and Monitoring Framework	5
2. Subproject Cost Estimates and Financing Plan	8
3. List of Linked Documents	9

KNOWLEDGE AND SUPPORT TECHNICAL ASSISTANCE AT A GLANCE

1. Basic Data		Project Number: 55278-002	
Project Name	Asian Development Outlook 2022	Department/Division	ERCD/ERMR
Nature of Activity	Research and Development	Executing Agency	Asian Development Bank
Modality	Subproject		
Country	Regional		
2. Sector		ADB Financing (\$ million)	
✓ Multisector	ADB's corporate management, policy and strategy development		1.00
		Total	1.00
3. Operational Priorities		Climate Change Information	
✓ Accelerating progress in gender equality		GHG Reductions (tons per annum)	0.000
✓ Strengthening governance and institutional capacity		Climate Change impact on the Project	Low
		ADB Financing	
		Adaptation (\$ million)	0.00
		Mitigation (\$ million)	0.00
		Cofinancing	
		Adaptation (\$ million)	0.00
		Mitigation (\$ million)	0.00
Sustainable Development Goals		Gender Equity and Mainstreaming	
SDG 1.5, 1.b		Some gender elements (SGE)	✓
SDG 5.c			
SDG 8.4		Poverty Targeting	
SDG 10.2		General Intervention on Poverty	✓
SDG 17.4			
4. Risk Categorization Risk Categorization does not apply			
5. Safeguard Categorization Safeguard Policy Statement does not apply			
6. Financing			
Modality and Sources		Amount (\$ million)	
ADB		1.00	
Knowledge and Support technical assistance: Technical Assistance		1.00	
Special Fund			
Cofinancing		0.00	
None		0.00	
Counterpart		0.00	
None		0.00	
Total		1.00	
Currency of ADB Financing: US Dollar			

I. THE TECHNICAL ASSISTANCE SUBPROJECT

A. Overall Progress of the Technical Assistance Cluster

1. The knowledge and support technical assistance (KSTA) cluster Asian Development Outlook (ADO) 2022–2024 was approved by the President on 19 November 2021 to support the preparation of the flagship publication—the ADO—for 3 years. The KSTA cluster has three subprojects and is financed by the Asian Development Bank (ADB), on a grant basis, from its TA funding program. ADB's Economic Research and Regional Cooperation Department (ERCD) submitted the TA to the Strategy, Policy, and Partnerships Department (SPD) through the Work Program and Budget Framework, 2021–2023 as part of ERCD's priority TA program. SPD endorsed the TA as a corporate priority TA on 22 January 2021.¹

B. Subproject Outcome

2. The TA will have the following outcome: ADO content informs policy discussions by ADB and DMC officials, views of the public, and analysis of researchers.² The subproject outcome will support the outcome of the overall TA cluster. The TA will produce the following outputs to guide ADB operational decisions and provide timely and relevant insights to policymakers in DMCs, ADB staff and shareholders, and researchers.

C. Subproject Outputs, Methods, and Activities

3. **Output 1: ADO reports disseminated in 2022.** ERCD produces four issues of ADO per year—one in April, another in September, and two short supplements in July and December³ The TA subproject will support the production of these reports in 2022 through the following activities: (i) preparing background analytical papers following the 2-year rolling research plan, (ii) further developing and refining analytical methods, (iii) drafting of ADO content, (iv) editing economic content and manuscripts, (v) preparing and laying out of materials for publication, and (vi) disseminating key results and policy messages. The publications will be widely disseminated in collaboration with ADB's Department of Communications (DOC) and participating resident missions. Lessons learned from the implementation of the previous TA cluster—such as further coordination with DOC to include better metrics for measuring the impact and reach of ADO, improving the dissemination of the ADO, and other lessons—will be considered during the implementation of the subproject. In the absence of road shows during the pandemic, this TA will continue to use online platforms for disseminating ADO reports, as the previous TA cluster has found online means effective in reaching a wider audience that includes DMC policy makers. Once the situation allows, international launches will resume, as well as presentations cohosted by ADB development partners within and outside developing Asia. Outreach will include discussions of the issues in partnership with academic institutions and think tanks. The ADO publications will be disseminated as electronic files on the ADB website⁴ and sent via DOC's targeted mailing list. However, as printed copies are still in demand from Management and outside

¹ The TA first appeared in the business opportunities section of ADB's website on 30 September 2021.

² The design and monitoring framework is in Appendix 1.

³ Starting in 2022, the ADO Update will be referred to as the ADO September issue, in line with discussions with DOC to streamline ADO branding and to conform to practice of other international organizations such as the World Bank, the International Monetary Fund, and the Organisation for Economic Co-operation and Development

⁴ The ADO will be disseminated in coordination with DOC and will be done via ADB's official webpage and ADB's official social media accounts. As such, maintaining a website and social media accounts after the TA is completed will not be an issue.

researchers, ERCD will print a limited number (about 100) in compliance with the Administrative Order on Energy, Environment, Health, and Safety Management System.⁵ Printing of the ADO switched to print on demand in 2017. The TA subproject will support Output 1 of the overall TA cluster.

4. With its comprehensive analysis of evolving macroeconomic advances and emerging development challenges in the region, the ADO plays an important part in supporting ADB in strengthening its role as a knowledge institution. The ADO supports the knowledge and operational work of the regional departments. Country chapters monitor the latest economic developments and near-term outlook toward developing appropriate policy recommendations for ensuring macroeconomic stability. The country chapters and the regional outlook section of the ADO 2022 will provide general discussion of coronavirus disease's (COVID-19) continuing impact and the challenges in fostering post-COVID recoveries. Further, the chapters' policy challenge sections will include analysis of key obstacles to inclusive economic growth such as (i) factors preventing productive employment generation, (ii) human development constraints, (iii) gender and other socioeconomic barriers, (iv) spatial and geographical limitations, (v) institutional and policy weaknesses, and (vi) factors preventing expansion of social protection programs. The thematic chapters will tackle important development challenges facing developing Asia.

5. Focusing on tax revenue mobilization in developing Asia, the ADO 2022 theme chapter will support fiscal policy deliberations in the recovery from COVID-19. The proposed chapter will begin by taking stock of Asia's fiscal landscape, including tax revenue trends, analyze the initial impact of COVID-19 on public finances, and examine considerations for fiscal consolidation. The chapter will evaluate the region's tax systems, examining the impact on revenue of informality, tax incentives, and recent structural changes including increased digitalization. The chapter will also examine the extent to which fiscal policy in region, including government expenditures, support inclusive development and how this can be strengthened. Finally, the chapter will propose policy options and priorities for increasing tax revenues, and improving the tax mix to support economic, social, and environmental objectives, and conclude by examining lessons from successful tax reforms.

6. The ADO 2022 Update theme chapter will focus on entrepreneurship, digitalization, and development and will be the first major study to take stock of the current state of entrepreneurship in developing Asia and its role in the region's development. It will provide a conceptual overview of the roles of different kinds of entrepreneurship in development based on the literature and tease out the implications for developing Asia. It will document the growth of digital entrepreneurship in developing Asia, which has witnessed a tangible growth in recent years; and will examine the contribution of digital entrepreneurship to three key ingredients of sustainable development, namely economic resilience, innovation, and inclusive growth. It will draw lessons which can help policymakers foster dynamic and innovative entrepreneurship, especially digital entrepreneurship, that contributes to economic growth and broader development in the region.

7. **Output 2: Background papers disseminated.** To provide a solid empirical and analytical foundation for ADO content, the subproject will commission background research papers to supplement ERMR research on selected thematic topics by analyzing issues and policy implications for developing Asia. The TA team will organize workshops and seminars focusing on the thematic chapters to strengthen ADO content, and will invite distinguished researchers to discuss initial drafts of the background papers to improve the analytical rigor and policy relevance of the thematic chapters. These will be posted as background papers when the ADO reports are

⁵ ADB. 2016. Energy, Environment, Health, and Safety Management System. *Administrative Orders*. AO 4.13. Manila.

launched, and may be consolidated in edited research volumes to provide researchers with more extensive analyses related to the thematic topics. The research volumes may be copublished with a reputable publishing house, which could entail a buyback arrangement. Background papers will also be published on the ADB website. The papers may also be published as working papers or journal articles, as appropriate. The TA subproject will support Output 2 of the overall TA cluster.

D. Subproject Cost and Financing

8. The TA subproject is estimated to cost \$1,000,000 which will be financed on a grant basis by ADB's Technical Assistance Special Fund (TASF-7 for \$500,000 and TASF-other sources for \$500,000). The key expenditure items are listed in Appendix 2.

E. Subproject Implementation Arrangements

9. ADB will administer the TA. ERMR will directly handle TA subproject administration and supervision, management of consultants, procurement, and accomplishment of outputs. Adopting the One ADB approach in knowledge solutions, ERMR will continue to collaborate with regional departments, including resident missions; other knowledge departments; and relevant sector and thematic groups on subproject activities. To ensure continuous support to the 2-year rolling research plan which will enhance the quality of ADB's flagship publications, the subproject may finance engagement of experts and activities for the succeeding ADOs.

10. Implementation arrangements are summarized in the table.

Subproject Implementation Arrangements

Aspects	Arrangements		
Indicative implementation period	November 2021–December 2023		
Executing agency	Asian Development Bank (Macroeconomics Research Division)		
Implementing agencies	Asian Development Bank (Macroeconomics Research Division)		
Consultants	To be selected and engaged by ADB		
	Individual: Framework agreement or individual selection	International expertise (49 person-months)	\$792,000
	Individual: Individual selection	National expertise (29 person-months)	\$50,000
Procurement ^b	To be procured by ADB		
	Request for quotation	5-6 contracts	\$73,000
Disbursement	Disbursement of TA resources will follow ADB's <i>Technical Assistance Disbursement Handbook</i> (2020, as amended from time to time).		
Asset turnover or disposal arrangement upon TA completion	After TA cluster completion, any procured equipment will be disposed of in accordance with Project Administration Instructions 5.09.		

ADB = Asian Development Bank, TA = technical assistance.

^b Procurement Plan (accessible from the list of linked documents in Appendix 3).

Source: Asian Development Bank.

11. **Consulting services.** Individual consultants and resource persons will be recruited through individual consultant selection or framework agreements wherein shortlisted consultants may be hired as needed for the duration of the agreement (as may be appropriate) to provide international and national consulting. The TA subproject will require international consultancy from economists and sector specialists who will prepare background papers and analyses supporting the thematic chapters or topics related to the outlook. International economic advisory and editing

consultants will be required for the economic and technical editing of ADO manuscripts before final publication. National economics consultants and research assistants will be required to assist with data management and to conduct research on a particular topic. ADB will engage resource persons for a maximum of 33 working days to conduct training on macroeconomics and economic forecasting, serve as discussants during workshops, peer review papers, and serve as technical experts. Contracts for consulting services will consist of output-based, lump-sum, time-based or framework contracts, as appropriate. ADB will engage consultants and resource persons as individuals to ensure that individuals with the requisite experience and qualifications are recruited. The ADO covers a wide range of topics, and highly qualified consultants with expertise relevant to ADO requirements will most likely be associated with various research institutions, think tanks, and universities. Further, the TA subproject will require rapid mobilization of the editorial consultants. The consultants will be engaged following the ADB Procurement Policy (2017, as amended from time to time) and its associated project administration instructions and/or staff instructions.

12. **ADB's procurement.** ERCD will procure ICT-related equipment and/or supplies, subscriptions to third-party databases, and statistical software under the TA as needed and in coordination with the Information Technology Department and Corporate Services Department. Procurement will follow the ADB Procurement Policy (2017, as amended from time to time).⁶ Procurement Plan is accessible from the list of linked documents in Appendix 3. Disbursements under the TA will be made in accordance with ADB's Technical Assistance Disbursement Handbook (2020, as amended from time to time).

⁶ Any procured equipment is disposed in line with ADB. 2013. Administering Grant-Financed Technical Assistance Projects. Project Administration Instructions. PAI 5.09. Manila.

SUBPROJECT DESIGN AND MONITORING FRAMEWORK

Impacts the TA is Aligned with Policy discussions and research on challenges facing developing Asia deepened. ^a			
Results Chain	Performance Indicators	Data Sources and Reporting Mechanisms	Risks and Critical Assumptions
<p>Outcome ADO content informs policy discussions by ADB and DMC officials, views of the public, and analysis of researchers</p>	<p>By 2023</p> <p>a. Maintain 70% coverage of ADO in target newspapers, television reports, and publications^b (2021 baseline: 70% target media coverage)</p> <p>b. Maintain substantial social media presence by recording at least 500,000 impressions in social media platforms^c (2021 baseline: 470,000 impressions)</p> <p>c. Maintain substantial use of ADO content in ADO operations, by recording use in at least 26 ADB documents (2016–2018 baseline: average of 26 ADB documents per year)</p> <p>d. Continued references to ADO made by external researchers in an average of 67 papers or journals (2016–2018 baseline: average of 67 citations per year)</p> <p>e. Maintain 800 total opens^d of the targeted mailouts containing links to the ADO to DMC officials (2021 baseline: 778)</p>	<p>a.–b. DOC media monitoring reports</p> <p>c. Search through country partnership strategies, background paper for ADF replenishment reports, reports and recommendations of the president, and other ADB documents</p> <p>d. Web search engine that indexes the full text or metadata of scholarly literature across an array of publishing formats and disciplines (e.g., Google Scholar)</p> <p>e. DOC reports</p>	<p>R: (1) Interest in the macroeconomic outlook waxes and wanes with developments; the 2021 baselines are likely higher than normal because COVID-19 has raised macroeconomic uncertainty. (2) Metrics used as performance indicators may be affected by evolving communication and social media patterns. (3) Use of and references to ADO by DMC officials cannot be fully tracked.</p> <p>A: Potential audience (policymakers, researchers, and the public) are aware of the outputs.</p>
<p>Outputs 1. ADO reports disseminated in 2022</p>	<p>By 2023</p> <p>1a. Electronic files of ADO reports posted on the ADB website and distributed through DOC's targeted mailing list (2021 baseline: 4 issues per year)</p>	<p>1a. ADB website; DOC reports</p>	<p>R: Unforeseen circumstances may compromise the production schedule. Metrics used as performance indicators may be affected by evolving communication</p>

Results Chain	Performance Indicators	Data Sources and Reporting Mechanisms	Risks and Critical Assumptions
2. Background papers disseminated	<p>1b. 25,000 page views of the ADO main landing page achieved (2021 baseline: 25,000 page views)</p> <p>2a. By 2023, 100% of background papers^e are disseminated either through the ADB website or published as working papers, journal articles, or edited research volumes. (2021 baseline: 100% disseminated)</p> <p>2b. 2,000 page views of the ADO background papers page achieved (2021 baseline: 1,900 page views)</p>	<p>1b. DOC reports</p> <p>2a. Number of publications produced</p> <p>2b. DOC reports</p>	<p>and social media patterns (e.g., downloads of the electronic report may decline if DOC is effective in using multimedia to disseminate ADO's key messages).</p> <p>R: Unexpected circumstances, such as delays in peer review, derail the publication schedule.</p>
<p>Key Activities with Milestones</p> <p>1. ADO reports disseminated in 2022</p> <p>1.1 Conduct workshops (December 2021, February 2022, May 2022, and July 2022)</p> <p>1.2 Draft background papers (November 2021–January 2022 and January–June 2022)</p> <p>1.3 Macroeconomic modeling and surveillance in support of generating forecasts and monitoring markets (December 2021–December 2022)</p> <p>1.4 Draft, review, and edit ADO contents (November 2021–March 2022 and May–September 2022)</p> <p>1.5 Finalize and disseminate publications (April 2022, July 2022, September 2022, and December 2022)</p> <p>2. Background papers disseminated</p> <p>2.1 Edit background papers (March–April 2022 and August–September 2022)</p> <p>2.2 Post background papers on ADB website (April 2022 and September 2022)</p> <p>2.3 Publish as edited research volumes or submit to reputable peer-reviewed academic journals, as applicable (December 2022 and June 2023)</p>			
<p>TA Management Activities</p> <p>Hiring of consultants (November–December 2021, May 2022)</p> <p>Procurement of information technology equipment and information and knowledge services (as needed, schedule to be determined)</p> <p>Results monitoring and evaluation activities (April 2022 and September 2022)</p>			
<p>Inputs</p> <p>ADB: \$1,000,000 (TASF 7 \$500,000; TASF-other sources \$500,000)</p>			

A = assumption, ADB = Asian Development Bank, ADF = Asian Development Fund, ADO = *Asian Development Outlook*, DMC = developing member country, DOC = Department of Communications, R = risk, TA = technical assistance.

^a Defined by TA.

- ^b Target media are the 70-80 top-tier and regional media identified by DOC. These include the Financial Times, Wall Street Journal, New York Times, Associated Press, Reuters, Xinhua, Nikkei, South China Morning Post, Bangkok Post, and similar international, regional, and national media outlets. The indicator is measured one month after the launch of the ADO and ADO Update as indicated in DOC's media monitoring report provided to ERCD.
- ^c This refers to the number of times the content related to ADO was displayed on social media feeds on platforms such as Twitter, Facebook, LinkedIn, and Instagram. The performance against this indicator will be measured one month after the launch of the ADO and ADO Update as indicated in DOC's media monitoring reports.
- ^d This refers to the number of recipient opens of email from the ADB chief economist containing links to the ADO. This indicator only considers the DMC segment and often far exceeds the number of deliveries, as the direct recipients tend to share the ADO email further to their own contact list, which in turn is opened by many others. It is measured one month after the launch of the ADO and ADO Update as indicated in DOC's publications marketing report.
- ^e From 2019 to 2021, the number of background papers produced for the ADO and ADO Update theme chapters ranged from 7 to 14.

Contribution to Strategy 2030 Operational Priorities:

This corporate TA is intended to support the production of ADB flagship knowledge products and services. Although the TA is mapped to 2 Strategy 2030 Operational Priorities (OP), OP tagging is not applicable, as agreed with the Strategy, Policy and Partnerships Department, since the results of the TA will not contribute directly to any of the corporate results framework indicators of the Strategy 2030 Operational Priorities.

Source: Asian Development Bank.

SUBPROJECT COST ESTIMATES AND FINANCING PLAN
 {(\$'000)}

Item	Amount
A. Asian Development Bank^a	
1. Consultants	
a. Remuneration and per diem	
i. International consultants	694.0
ii. National consultants	50.0
b. Out-of-pocket expenditures	
i. International and local travel	48.0
2. Printed external publications ^b	5.0
3. Goods (rental or purchase) ^c	3.0
4. Training, seminars, workshops, forum and conferences ^d	55.0
5. Miscellaneous administration and support costs ^e	70.0
6. Contingencies	75.0
Total	1,000.0

Note: The technical assistance (TA) is estimated to cost \$1,000,000, of which contributions from the Asian Development Bank are presented in the table above.

^a Financed by the Asian Development Bank's Technical Assistance Special Fund (TASF-7 for \$500,000 and TASF-other sources for \$500,000).

^b The ADOs are disseminated as electronic files in the ADB website. However, there is still demand for printed copies from Management and outside researchers. In compliance with the administrative order on environment, health, and safety management system, ERCD will print limited copies (around 300) of the publications. Includes buy-back arrangements, if any.

^c Includes information technology and software, such as laptop, etc. The procurement of goods will be done in accordance with ADB's Procurement Policy (2017, as amended from time to time) and Procurement Regulations for ADB Borrowers (2017, as amended from time to time). Any procured equipment is disposed in line with ADB. 2013. Administering Grant-Financed Technical Assistance Projects. Project Administration Instructions. PAI 5.09. Manila.

^d Includes (i) travel expenses and per diem of ADB staff as resource persons in dissemination activities or speakers in international conferences and/or forums to present technical assistance results; (ii) travel expenses and per diem of ADB staff to provide support services in implementing and administering workshops; (iii) honoraria, per diem, and other travel-related expenses of resource persons; (iv) venue rental and related facilities; (v) relevant costs including representation expenses; (vi) costs of meals and snacks served during training sessions, workshops, or conferences for all participants, including ADB staff participants; and (vii) other related costs

^e Includes data support and purchase of survey or study data, subscription to data and information services such as Bloomberg, CEIC Data Ltd., Focus Economics, Oxford Economics, etc., and other expenditures that may arise in the course of the TA implementation that the other cost categories in the financing plan do not cover, e.g., mailing and shipping of documents, bank charges, and translation costs.

Source: Asian Development Bank estimates.

LIST OF LINKED DOCUMENTS

<http://www.adb.org/Documents/LinkedDocs/?id=55278-002-TARreport>

1. Terms of Reference for Consultants
2. Procurement Plan