

CONTRIBUTION TO THE ADB RESULTS FRAMEWORK

Level 2 Results Framework Indicators			
No.	(Outputs and Outcomes)	Targets	Methods / Comments
1	None		None

Source: Asian Development Bank

FSDP is consistent with ADB's Financial Sector Operational Plan (FSOP).¹ The FSOP recognizes that financial sectors of the region, including Viet Nam, remain bank dominated reflecting a lack of capacity in the non-bank financial sectors and capital markets. This poses elevated systemic risk and limits the mobilization of long-term resources required for infrastructure financing. In response, the FSOP has identified a number of areas for support which are broadly consistent with ADB's Strategy 2020.² Specifically, FSDP includes measures designed to strengthen public debt markets and improve financial infrastructure to channel savings into more productive investments which will fuel economic growth.³ FSDP also serves as a catalyst and coordinator of regional cooperation and integration by promoting the adoption of common standards based on sound international practices.

FSOP has not yet identified performance targets but does provide guiding principles for developmental effectiveness. FSDP adheres to these principles by building on a comprehensive sector assessment, tailoring reforms to the Viet Nam's stage of development, providing capacity development and closely coordinating with donors. FSDP's performance targets have been designed to support achievement of the Country Partnership Strategy Results Framework, which is an enlarged nonbank financial sector.⁴ Specifically, FSDP targets an increase in the size and liquidity of the bond and equity markets, progress in the adoption of international standards, and indirect indicators of capacity development.

¹ ADB. 2011, *Financial Sector Operational Plan*. Manila.

² ADB's Strategy 2020 established a focus on three complementary strategic agendas: inclusive economic growth, environmentally sustainable growth, and regional integration. To maximize its development impact, ADB will target five drivers of change including financial sector development.

³ As a medium sized, medium income country with an under-developed financial sector, FSOP calls for an emphasis on the foundations for financial sector development, which is one of ADB's established areas of expertise.

⁴ ADB. 2012. Viet Nam: Country Partnership Strategy, 2012–2015. Manila. The share of nonbank finance sector assets in total finance sector assets increases from 15% in 2010 to 25%–30% in 2015.