




Asian Development Bank

# Memorandum

Private Sector Operations Department  
Office of the Director General


  
12 November 2020

6 November 2020

To : Ashok Lavasa  
Vice President (Private Sector Operations and Public-Private Partnerships)

Through : Michael Barrow  
Director General, PSOD  6 November 2020

Christopher Thieme  
Deputy Director General, PSOD  6 November 2020

From : Martin Lemoine  
Principal Investment Specialist, OPSD 

Subject : **Knowledge and Support Technical Assistance  
REG: Private Sector Business Development for Climate-Resilient  
Agribusiness Projects in Asia and the Pacific — For KSTA Concept Paper  
Approval**

---

1. This memorandum seeks your approval of the Concept Paper for the Knowledge and Support Technical Assistance (KSTA) for the Private Sector Business Development for Climate-Resilient Agribusiness Projects in Asia and the Pacific (Attached). Pursuant to paragraph 14-15 of the Staff Instruction on Business Processes for Knowledge and Support Technical Assistance, the vice president approves the TA concept paper if not listed in the annual TA pipeline endorsed by the Vice President.

2. The proposed KSTA will support climate finance business development activities relating to climate-resilient agribusiness investments across 22 Asian Development Bank (ADB) countries.<sup>1</sup> These countries were chosen because they are eligible for support by the Climate Investment Funds (CIF), which focuses on climate-smart development planning and action. The TA will focus on investment opportunities that improve climate resilience and gender equity within the agribusiness value chain, including agricultural inputs, farming, processing and logistics and retail. The scope is consistent with the concept note ADB submitted to the CIF's Pilot Program for Climate Resilience (PPCR) subcommittee.<sup>2</sup> The TA will involve some preliminary desk-based market analysis and preliminary screening of climate resilient and gender responsive opportunities based on existing studies, development of an investment pipeline and preparation of further funding applications and project structuring and ADB processing. This approach is consistent with the scope for a Knowledge and Support Technical Assistance activity because it involves a sector specific search for potential transactions and inputs for project processing.

---

<sup>1</sup> The TA is intended to support business development across all DMCs where those DMCs are also eligible to receive funding from CIF. Those countries are Armenia, Bangladesh, Bhutan, Cambodia, India, Indonesia, Kiribati, Kyrgyz Republic, Kazakhstan, Lao PDR, Maldives, Mongolia, Nepal, Papua New Guinea, Philippines, Samoa, Solomon Islands, Tajikistan, Thailand, Tonga, Vanuatu, and Viet Nam.

<sup>2</sup> Funded through the Strategic Climate Fund's Pilot Program for Climate Resilience, approved in concept via email on 2 July 2020

3. The preliminary design and monitoring framework is attached as Appendix 1 to the concept paper.

4. The proposed TA budget is estimated to cost \$450,000, which will be financed on a grant basis by CIF's PPCR. The TA will allow for an experienced consultant to be recruited on a full-time basis, for a period of about 3 years.

5. The concept paper was circulated and reviewed by CTL, OGC, PPF, SDCC, CWRD, EARD, PARD, SARD and SERD. The comments received were duly addressed and incorporated where appropriate in the revised concept paper.

cc: Directors General, CWRD/EARD/PARD/PPFD/SARD/SERD/SDCC  
Assistant General Counsel  
Controller  
Deputy Director General, PSOD  
Director, PFP2  
Senior Advisor, VPPP  
G. Abel/N. Peñas, PSTS  
M. Lemoine/E. David/B. Sutton, OPSD



# Technical Assistance Concept Paper

---

Project Number: 54393-001  
Knowledge and Support Technical Assistance (KSTA)  
November 2020

## Private Sector Business Development for Climate-Resilient Agribusiness Projects in Asia and the Pacific

## CONTENTS

	<b>Page</b>
KNOWLEDGE AND SUPPORT TECHNICAL ASSISTANCE AT A GLANCE	
I. KNOWLEDGE AND SUPPORT TECHNICAL ASSISTANCE	1
A. Rationale	1
B. Proposed Solutions	3
C. Indicative Technical Assistance Budget and Financing Sources	5
D. Implementation Arrangements	5
II. DELIBERATIVE AND DECISION-MAKING ITEMS	5
A. Risk Categorization	5
B. Scope of Due Diligence	5
C. Processing Schedule {and Sector Group's Participation}	6
 Appendixes	
1. Preliminary Design and Monitoring Framework	7
2. TA Country Partnership Strategy Alignment by Country	9

## KNOWLEDGE AND SUPPORT TECHNICAL ASSISTANCE AT A GLANCE

<b>1. Basic Data</b>		<b>Project Number:</b> 54393-001	
<b>Project Name</b>	Private Sector Business Development for Climate-Resilient Agribusiness Projects in Asia and the Pacific	<b>Department/Division</b>	PSOD/OPSD
<b>Nature of Activity Modality</b>	Capacity Development Regular	<b>Executing Agency</b>	Asian Development Bank
<b>Country</b>	Regional		
<b>2. Sector</b>	<b>Subsector(s)</b>	<b>ADB Financing (\$ million)</b>	
		<b>Total</b>	<b>0.00</b>
<b>3. Operational Priorities</b>		<b>Climate Change Information</b>	
✓ Addressing remaining poverty and reducing inequalities		GHG Reductions (tons per annum)	0
✓ 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)	0.00
		Mitigation (\$ million)	0.00
		<b>Cofinancing</b>	
		Adaptation (\$ million)	0.45
		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.a		<b>Poverty Targeting</b>	
SDG 12.8		Geographic Targeting	✓
SDG 13.a			
<b>4. Risk Categorization</b> Low			
<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>0.00</b>	
None		0.00	
<b>Cofinancing</b>		<b>0.45</b>	
Strategic Climate Fund - PPCR (Full ADB Administration)		0.45	
<b>Counterpart</b>		<b>0.00</b>	
None		0.00	
<b>Total</b>		<b>0.45</b>	
<b>Currency of Financing:</b> US Dollar			

## I. KNOWLEDGE AND SUPPORT TECHNICAL ASSISTANCE

1. This regional knowledge and support technical assistance (TA) will support climate finance business development activities relating to climate-resilient agribusiness investments across 22 Asian Development Bank (ADB) countries.<sup>1</sup> These countries were chosen because they are eligible for support by the Climate Investment Funds (CIF), which focuses on climate-smart development planning and action. The TA will focus on investment opportunities that improve climate resilience and gender equity within the agribusiness value chain, including agricultural inputs, farming, processing and logistics and retail. The scope is consistent with the concept note ADB submitted to the CIF's Pilot Program for Climate Resilience (PPCR) subcommittee.<sup>2</sup> The TA will involve some preliminary desk-based market analysis and preliminary screening of climate resilient and gender responsive opportunities based on existing studies, development of an investment pipeline and preparation of further funding applications and project structuring and ADB processing. This approach is consistent with the scope for a Knowledge and Support Technical Assistance activity because it involves a sector specific search for potential transactions and inputs for project concept paper preparation.

2. In accordance with the Staff Instructions on Business Processes for Knowledge and Support Technical Assistance, the Vice President, Private Sector Operations and Public-Private Partnerships will approve this concept paper. The TA is consistent with ADB's Strategy 2030, which calls for ADB "to scale up its financing for agribusiness" and "ensure that 75% of the number of its committed operations (on a 3-year rolling average, including sovereign and nonsovereign operations) will be supporting climate change mitigation and adaptation by 2030" and also that "at least 75% of the number of ADB's committed operations will promote gender equality by 2030."<sup>3</sup> The TA is also in line with ADB's Plan for Private Sector Operations 2019-2024, which calls for a focus on climate resilience within the agribusiness sector. The TA complies with ADB's Climate Change Operational Framework 2017-2030, which supports climate adaptation actions, with a focus on building climate resiliency in agriculture.<sup>4</sup> The TA is also aligned with ADB Country Partnership Strategies (CPS) in the each of the 22 CIF eligible countries, as is detailed in Appendix 2.

### A. Rationale

3. In Strategy 2030, ADB committed to prioritizing support for "resilience and sustainability of countries, especially for vulnerable populations". ADB also committed to focus on "adoption of advanced technologies and climate-smart agricultural practices" to promote rural development and food security. Additionally, Strategy 2030 specifies that ADB will "support DMCs in developing integrated approaches to adapt to climate change and improve climate and disaster resilience" and will "help DMCs increase agricultural productivity and reduce poverty by boosting farm and nonfarm incomes", including by promoting the use of climate-smart agricultural practices. Therefore, this TA would support a key operational area of regional departments and offer an opportunity for sovereign and non-sovereign collaboration.

---

<sup>1</sup> The TA is intended to support business development across all DMCs where those DMCs are also eligible to receive funding from CIF. Those countries are Armenia, Bangladesh, Bhutan, Cambodia, India, Indonesia, Kiribati, Kyrgyz Republic, Kazakhstan, Lao PDR, Maldives, Mongolia, Nepal, Papua New Guinea, Philippines, Samoa, Solomon Islands, Tajikistan, Thailand, Tonga, Vanuatu, and Viet Nam.

<sup>2</sup> Funded through the Strategic Climate Fund's Pilot Program for Climate Resilience, approve in concept via email on 2 July 2020

<sup>3</sup> ADB. 2019. *Strategy 2030: Achieving a Prosperous, Inclusive, Resilient, and Sustainable Asia and the Pacific*. Manila.

<sup>4</sup> ADB. 2017. *Climate Change Operational Framework 2017-2030 Enhanced Actions for Low Greenhouse Gas emissions and Climate-Resilient Development*. Manila.

4. Developing countries in Asia and the Pacific are experiencing an increase in temperatures, unpredictable rainfall patterns, and an increasing number of extreme weather events such as floods and prolonged droughts. These changes have far-reaching impacts on the agricultural sector and the food security situation for the growing urban and rural populations. For agribusinesses, these changes can seriously impact productivity and profitability (or even viability) over the mid-long term. Thus, it is important that agribusinesses understand and anticipate these risks to their businesses and prepare accordingly by strengthening resilience of operations and supply chains. It is also important that they can access any potential opportunities arising with climate change (e.g. new climate-resilient high-value crops or crop varieties suitable to a given agro-climatic environment).

5. Current levels of investment in climate mitigation and adaptation in Asia are insufficient to meet climate goals. ADB estimates that Asia will need to invest \$1.7 trillion annually from 2016 to 2030 to maintain current growth rates, including \$200 billion annually related to climate change mitigation and adaptation costs. Current annual investment is \$881 billion, illustrating a significant shortfall in meeting needs.<sup>5</sup> Climate change is already imposing significant costs on Asia and the Pacific. Improving the resiliency of agricultural practices will help reduce the severity of future climate impacts, particularly on vulnerable rural population, while supporting a more sustainable development pathway.<sup>6</sup>

6. Addition investment in women as agents of change for climate-resilient development is also required. The economic activity of women is highly concentrated in agriculture, and evidence shows that women are particularly adept at leading resilience strategies for climate-related shocks and stresses at the local level.<sup>7</sup> In Strategy 2030, ADB prioritized investment to ensure equal access of women to business opportunities and finance<sup>8</sup> and expanding women's jobs including in agribusiness value chains and access to finance.<sup>9</sup>

7. Agribusiness financing is a growing and strategic sector for ADB. PSOD's Agribusiness Investment Team (AIT) is providing financing (debt and equity) and TA to support the development of companies along the agribusiness value chain, including:

- (i) inputs: seeds, fertilizers, machinery, irrigation, animal feed;
- (ii) farming: greenhouses, plantations, orchards, livestock, poultry, aquaculture, horticulture, grains;
- (iii) processing: primary processing of food ingredients, secondary processing of packaged foods and beverages; and
- (iv) logistics and retail: logistic centers, cold storage, food distribution, supermarkets.

8. AIT is aiming to increase the number and share of projects promoting increased climate resilience. Only 27% of PSOD-AIT projects (6 of 22) have had climate change adaptation features, with the climate adaptation features of these projects representing only 5.5% of ADB's overall financial support to agribusiness. Similarly, 59% of PSOD-AIT projects (13 of 22) have had gender equality features, representing 41% of ADBS overall financial support to agribusiness. The TA

<sup>5</sup> Asian Development Bank. 2017. *Meeting Asia's Infrastructure Needs*. Manila.

<sup>6</sup> Asian Development Bank. 2017. *Climate Change Operational Framework 2017–2030*. Manila.

<sup>7</sup> Asian Development Bank. 2020. *Enhancing Women-focused Investments in Climate and Disaster Resilience*. Manila.

<sup>8</sup> Asian Development Bank. 2019. *Strategy 2030 Operational Plan for Priority 2 Accelerating Progress in Gender Equality, 2019-2024*. Manila.

<sup>9</sup> Asian Development Bank. 2019. *Strategy 2030 Operational Plan for Priority 5 Promoting Rural Development and Food Security, 2019-2024*. Manila.

will aim at developing the pipeline with projects that support climate-resilience and gender equality in agriculture, notably including the following features:

- (i) contract farming arrangements, providing increased knowledge of climate-resilient farming practices and increased predictability of sales for smallholder farmers with special assistance to vulnerable women farmers and small farmers from below-poverty-line households (e.g. use of ICT to engage with or provide climate-resilient trainings to contract farmers, consistency of farming techniques to prevent climate-related or other shocks and to improve yield predictions);
- (ii) diversification to more climate-resilient crops, plant varieties, and processed food with ingredients that are less sensitive to adverse climate events, specifically when compared to climate related data or down-scaled weather information (e.g. research fields, selective breeding, gene banks or partnerships with research organizations);
- (iii) climate adaptation features in companies' investments (e.g. irrigation, flood resistant infrastructure, climate-controlled facilities such as greenhouses); and
- (iv) climate change adaptation and mitigation equipment, inputs and techniques (e.g. energy production through biogas digesters, biomass and specifically mitigation measures for agricultural waste burning, solar energy, animal feed reducing emissions, providers of extension services, suppliers of inputs or equipment).

9. Additional resources are needed to develop a pipeline of new climate-resilient projects and strengthen the climate-resilient focus in all projects supported by PSOD-AIT. The current PSOD-AIT team, which comprises six permanent international staff (including one head and five project team leaders), is primarily focused on the processing of transactions, including concept approval, commercial, financial, environmental and social and legal due diligence. Current resources are insufficient to allow PSOD-AIT to actively develop a more climate-resilient pipeline of projects, in particular in relatively small and frontier markets where business development is inherently more challenging. The addition of a consultant dedicated to monitoring markets and identifying projects displaying climate-resilient aspects at early stages—in particular in the most vulnerable countries—would considerably strengthen PSOD-AIT's climate-resilient project pipeline. PSOD-AIT also needs help to enhance the climate adaptation features of all investment and TA projects as there are opportunities for boosting resilience of all agribusiness projects.

## **B. Proposed Solutions**

10. The TA will help address barriers including the limited levels of private sector investment in climate resilient agribusiness, particularly in the developing and middle-income countries eligible for CIF support as identified in paragraph 2. The TA will also prioritize investment in women as an agent of change for climate resilient development.

11. The TA will, where possible as determined by the results of a market gap assessment, prioritize investment in small and emerging markets and countries most vulnerable to climate change as defined below:

- (i) Fiji, Kiribati, Maldives, Papua New Guinea, Samoa, Solomon Islands, Tonga and Vanuatu;<sup>10</sup>

---

<sup>10</sup> Classified by ADB as Small Island Developing States (SIDS), which are vulnerable to climate change. Note that Kiribati, Papua New Guinea and Solomon Islands are also classified by ADB as Fragile and Conflict-Affected Situations (FCAS).



(ii) Bhutan, Cambodia, Kyrgyz Republic, Lao, Myanmar, Nepal, Tajikistan.<sup>11</sup>

12. The TA will allow for an experienced consultant to be recruited on a full-time basis, for a period of about 3 years. The consultant should have significant experience in private-sector business development as well as transaction processing, preferably in agribusiness with a development impact and with pre-existing business networks in some CIF countries. As building cross-country sectoral expertise in a wide range of frontier markets and nurturing relationships with potential clients take time, a relatively long-term commitment is important to ensure the success of the TA.

13. This solution will result in the following outcome:

- (i) **Expanded investment in climate resilient and gender responsive agriculture.** The TA will result in the facilitation of additional investment in climate resilient and EGM classified project, with financial assistance from ADB and cofinancing sources.

14. The TA will be aligned with the following impacts:

- (i) **Output 1: Internal climate resilience and gender- and socially-inclusive market gap analysis and preliminary screening conducted.** The TA will support a simple internal desktop market gap analysis to identify and assess climate resilient and gender- and socially-inclusive agribusiness financing needs, gaps, availability, and opportunities in all 22 CIF eligible countries identified in paragraph 2. The study will also investigate the potential for collaboration between RDs and PSOD towards Strategy 2030 Operational Priorities, and RDs will be consulted to as part of the study. The study will be an internal document to be used for business development purposes. This analysis will draw on existing studies and sources, as well as conversations with and facilitated by ADB resident missions in the 22 CIF eligible countries and seek to identify the most promising areas in the next 36 months for private sector investment. The results of this assessment will help prioritize business development described in Outputs 2 and 3, below. (Expected to comprise about 5% of the TA)
- (ii) **Output 2: Pipeline of potential climate resilient agribusiness projects with gender additionality developed.** Based on the results of the market gap analysis, a preliminary pipeline of potential PSOD projects would be developed across the region. The TA will provide technical support to plan and prepare the investment projects including preliminary due diligence and structuring potential financing solutions. (Expected to comprise about 15% of the TA)
- (iii) **Output 3: Preparation of funding applications, project structuring and processing.** Funding applications or investment proposals would be prepared for submission to available sources of concessional finance (including ADB's bilateral blended finance facilities) and other sources of public and private finance including ADB's Ordinary Capital Reserves. (Expected to comprise about 80% of the TA)

15. The TA will help address barriers including the limited levels of private sector investment in climate-resilient agribusiness in the countries identified in paragraph 2. The TA will be aligned with the following impacts: (i) tackling climate change, building climate and disaster resilience,

---

<sup>11</sup> Classified as Group A countries by ADB

and enhancing environmental sustainability;<sup>12</sup> and (ii) promoting gender- and socially inclusive rural development and food security.<sup>13</sup>

### C. Indicative Technical Assistance Budget and Financing Sources

16. The proposed TA budget is estimated to cost \$450,000, which will be financed on a grant basis by the Strategic Climate Fund<sup>14</sup> and administered by ADB.

### D. Implementation Arrangements

17. The TA will be implemented over a period of November 2020–December 2023. An international consultant will be hired, based on applicable experience and qualifications, for the duration of the agreement to provide assistance with delivery of key outputs. It is anticipated that output-based lump sum contract will be utilized. ADB will engage the consultant and carry out procurement following the ADB Procurement Policy (2017, as amended from time to time) and its associated project administration instructions and/or staff instructions. No procurement of equipment is anticipated. The indicative implementation arrangements are summarized in Table 1.

**Table 1: Indicative Implementation Arrangements**

Aspects	Arrangements		
Indicative implementation period	November 2020 – December 2023		
Executing agency	Asian Development Bank		
{Implementing agencies}	PSOD's Agribusiness Investment Team will administer the TA and will draft terms of reference (ToR) and engage the consultant as needed.		
Consultants	Package title	Selection method	Engaged by
	Individual: To be determined	Individual selection	ADB
{Disbursement}	The TA resources will be disbursed following ADB's <i>Technical Assistance Disbursement Handbook</i> (2010, as amended from time to time).		

## II. DELIBERATIVE AND DECISION-MAKING ITEMS

### A. Risk Categorization

18. This TA is categorized as low risk as the level of funding does not exceed \$1.5 million, no policy waiver is needed, no cost recovery is entailed, the TA is not delegated and does not involve a knowledge partnership, there are no specific integrity concerns, no pilot testing or a project approach is anticipated, and the funds will not be used by two or more departments.

### B. Scope of Due Diligence

19. This TA will be used to finance activities in support of private sector investments in climate resilient agribusiness. Where this involves private-sector co-financing, due-diligence will also cover on-shore financial institutions, as partners in ADB's projects. As the scope and nature of

<sup>12</sup> Asian Development Bank. 2019. *Strategy 2030 Operational Plan for Priority 3 Tackling Climate Change, Building Climate and Disaster Resilience, and Enhancing Environmental Sustainability, 2019-2024*. Manila.

<sup>13</sup> Asian Development Bank. 2019. *Strategy 2030 Operational Plan for Priority 2 Accelerating Progress in Gender Equality, 2019-2024*. Manila.

<sup>14</sup> Under the Pilot Program for Climate Resilience

the activities will not be known, due diligence as anticipated in ADB's concept paper template is not relevant.

### C. Processing Schedule

20. The processing schedule by milestone is in Table 2.

**Table 2: Processing Schedule by Milestone**

<b>Milestones</b>	<b>Expected Completion Date</b>
1. RMT approval of the draft concept paper	06 October 2020
2. Internal circulation for PSOD comment	07 October 2020
3. Interdepartmental circulation of the concept paper	07 October 2020
4. Finalization of the concept paper	20 October 2020
5. Preparation of the TA Report	21 October 2020
6. VPPP approval of the concept paper	27 October 2020
7. Submission of PCPR cover letter to CIF Admin Unit for pre-clearance	28 October 2020
8. Advertise consultant ToR	03 November 2020
9. Interdepartmental circulation of the draft TA Report	03 November 2020
10. Submission to PPCR subcommittee for funding approval	06 November 2020
11. Finalization of the TA Report	10 November 2020
12. Submission to OSEC for editing	12 November 2020
13. PPCR funding approval	27 November 2020
14. Approval of the TA Report	03 December 2020
15. Start consultant contract	January 2021

PSOD=Private Sector Operations Department; RMT=Regional Management Team; TA=Technical Assistance; VPPP=Vice President Private Sector Operations and Public-Private Partnerships

## PRELIMINARY DESIGN AND MONITORING FRAMEWORK

<b>Impact(s) the TA is Aligned with</b>			
(i) Tackling climate change, building climate and disaster resilience, and enhancing environmental sustainability <sup>a</sup>			
(ii) Promoting rural development and food security <sup>b</sup>			
<b>Results Chain</b>	<b>Performance Indicators with Targets and Baselines</b>	<b>Data Sources and Reporting Mechanisms</b>	<b>Risks</b>
<b>Outcome</b> Expanded investment in climate resilient and gender responsive agriculture	Increase by five the number of potential investments facilitated (at least four of them EGM category), with financial assistance from ADB and cofinancing sources  (Baseline: 2020=6)	ADB IC or Board approval	No need for ADB investment
<b>Outputs</b> 1. Internal climate resilience and gender- and socially-inclusive market gap analysis and preliminary screening conducted  2. Pipeline of potential climate resilient agribusiness projects with gender additionality developed  3. Preparation of funding applications, project structuring and processing	At least four potential climate resilient agribusiness themes (with indicative EGM category), at least one for each of agricultural inputs, farming, processing, and logistics and retail (Baseline: 2020=0)  At least ten potential climate resilient projects identified for processing (at least eight of them with indicative EGM category (Baseline: 2020=0)  Processing of at least five potential climate resilient projects (at least four of them classified EGM) (Baseline: 2020=6)	Gap analysis report   Contribution to internal project pipeline tracking   Preparation of internal ADB approvals documents	Lack of available information on agribusiness opportunities  Lack of bankable projects

<p><b>Key Activities with Milestones</b></p> <p><b>1. Internal market gap analysis and preliminary screening conducted</b></p> <p>1.1 Discussion with investment specialists/officers and literature review (Q1 2021)</p> <p>1.2 Internal market analysis study completed for presentation to PSOD management (Q2 2021)</p> <p><b>2. Pipeline of potential climate resilient agribusiness projects developed</b></p> <p>2.1 Business development meetings with potential clients (Q1 2021 – Q3 2021)</p> <p>2.2 Pipeline of potential projects identified (Q3 2021)</p> <p><b>3. Preparation of program applications and internal approvals</b></p> <p>3.1 Applications for cofinancing (Q4 2021 – Q4 2023)</p> <p>3.2 Internal ADB due diligence and approval process (Q4 2021 – Q4 2023)</p>
<p><b>Inputs</b></p> <p>Strategic Climate Fund: \$450,000</p>
<p><b>Assumptions for Partner Financing</b></p> <p>Not applicable</p>

Source: Asian Development Bank.

<sup>a</sup> Asian Development Bank. 2019. *Strategy 2030 Operational Plan for Priority 3 Tackling Climate Change, Building Climate and Disaster Resilience, and Enhancing Environmental Sustainability, 2019-2024*. Manila.

<sup>b</sup> Asian Development Bank. 2019. *Strategy 2030 Operational Plan for Priority 2 Accelerating Progress in Gender Equality, 2019-2024*. Manila.

## TA COUNTRY PARTNERSHIP STRATEGY ALIGNMENT BY COUNTRY

The TA supports Country Partnership Strategies (CPS) in CIF eligible ADB countries as follows:

- (i) In Armenia, ADB supports the national development program which prioritizes climate adaptation in agriculture, fisheries and forests. ADB also provides “technical support on agricultural value-chain development for high-value crop diversification targeting export markets” which will “compliment ongoing and potential ADB nonsovereign loans on agribusiness”;<sup>1</sup>
- (ii) In Bangladesh, ADB supports “increasing the productivity of agriculture, diversifying into high value-added products and investing in all-weather access to markets and agribusiness logistics” and promoting climate-resilient development, including ensuring food and water security;<sup>2</sup>
- (iii) In Bhutan, ADB supports the government’s 12<sup>th</sup> five year plan which prioritizes building climate resilience. ADB’s PSOD also “will explore strategic investment opportunities with state-owned enterprises that help develop downstream industries, including in tourism, agribusiness, and logistics”;<sup>3</sup>
- (iv) In Cambodia, ADB supports climate and disaster resilience in the agriculture and natural resources sector, with a focus on irrigation and water resources;<sup>4</sup>
- (v) In India, ADB supports “increased agricultural productivity and rural incomes” and “mainstream climate change adaptation and disaster risk management across all sectors” and specifically to “mitigate further water stress resulting from climate change”;<sup>5</sup>
- (vi) In Indonesia, improving climate and disaster resilience, including climate change adaptation, is an overarching theme of ADB’s strategy. ADB pledged to “seek innovations in agriculture” and “promote private sector investments in agribusiness”;<sup>6</sup>
- (vii) In Kazakhstan, ADB will focus on increasing “agriculture productivity and exports” in line with the governments state program on agricultural development and also supporting government climate change adaptation targets;<sup>7</sup>
- (viii) In Kyrgyz Republic, “ADB’s Private Sector Operations with seek opportunities in agribusiness” and “ADB will strengthen agricultural services, climate resilience and disaster risk reduction and adaptation, focusing on water resources”;<sup>8</sup>
- (ix) In Lao, ADB will help to “increase productivity and promote commercialization of agriculture” and to support Lao DR’s Nationally Determined Contributions by supporting “climate change mitigation and adaptation actions in agriculture”;<sup>9</sup>

<sup>1</sup> ADB. 2019. *Country Partnership Strategy: Armenia, 2019-2023 – Fostering Inclusive, Diversified, and Transformative Growth*. Manila.

<sup>2</sup> ADB. 2016. *Country Partnership Strategy: Bangladesh, 2016-2020*. Manila.

<sup>3</sup> ADB. 2014. *Country Partnership Strategy: Bhutan, 2019-2023 – Fostering Diversification and Reducing Disparities*. Manila

<sup>4</sup> ADB. 2019. *Country Partnership Strategy: Cambodia, 2019-2023- Inclusive Pathways to a Competitive Economy*. Manila.

<sup>5</sup> ADB. 2017. *Country Partnership Strategy: India, 2018-2022- Accelerating Inclusive Economic Transformation*. Manila.

<sup>6</sup> ADB. 2020. *Country Partnership Strategy: Indonesia, 2020-2024 – Emerging Stronger*. Manila

<sup>7</sup> ADB. 2017. *Country Partnership Strategy: Kazakhstan, 2017-2021- Promoting Economic Diversification, Inclusive Development, and Sustainable Growth*. Manila.

<sup>8</sup> ADB. 2018. *Country Partnership Strategy: Kyrgyz Republic, 2018-2022 – Supporting Sustainable Growth, Inclusion, and regional Cooperation*. Manila.

<sup>9</sup> ADB. 2017. *Country Partnership Strategy: Lao People’s Democratic Republic, 2017-2020- More inclusive and Sustainable Economic Growth*. Manila.

- (x) In the Maldives, ADB's country allocations was limited and the most recent country partnership strategy (2016) did not explicitly support agriculture or climate resilience;<sup>10</sup>
- (xi) In Mongolia, ADB will "develop value chains and take advantage of Mongolia's rich agricultural resource base" while "fostering climate change adaptation and mitigation";<sup>11</sup>
- (xii) In Nepal, "ADB's nonsovereign operations will explore ways to scale up business models and technology solutions to increase their impacts, focusing on gender equity, agriculture, inclusive finance, and climate change adaptation";<sup>12</sup>
- (xiii) In the Pacific region, which includes CIF eligible countries Kiribati, Samoa, Solomon Islands, Tonga and Vanuatu, ADB prioritized support for building climate resilience in both the public and private sector;<sup>13</sup>
- (xiv) In the Philippines, ADB's Private Sector Operations Department (PSOD) will "promote agribusiness models that contribute to increased agricultural productivity". Additionally, "ADB recognizes that while agriculture and natural resources, urban development, transport and energy are vulnerable to climate change and disasters, they also offer opportunities for implementing adaptation and DRM measures and strategies";<sup>14</sup>
- (xv) In Papua New Guinea, "ADB will directly support the private sector through loans, guarantees, and equity investments" with agribusiness being a key sector of focus. Additionally, ADB will support building climate resilience;<sup>15</sup>
- (xvi) In Thailand, ADB supports "strengthening the productivity and competitiveness of sectors important for inclusive growth (e.g., agriculture and tourism)" and pledged to support the government's environmentally sustainable development and green economy agenda, including as it pertains to climate change;<sup>16</sup>
- (xvii) In Tajikistan, the CPS will "holistically address food security, water resources management, and climate change adaptation". While noting that private sector investment opportunities in the country are low, ADB's PSOD will explore "investments in finance, agribusiness, and mining, especially those operators with successful social license and strong environmental records";<sup>17</sup>
- (xviii) In Viet Nam, ADB will support the agriculture sector "focusing primarily on efficient water use for enhanced agricultural productivity and climate resilience" and ADB's PSOD will pursue agricultural projects.<sup>18</sup>

---

<sup>10</sup> ADB. 2015. *Interim Country Partnership Strategy: Maldives, 2016*. Manila.

<sup>11</sup> ADB. 2017. *Country Partnership Strategy: Mongolia, 2017-2020 – Sustaining Inclusive Growth in a Period of Economic Difficulty*. Manila.

<sup>12</sup> ADB. 2019. *Country Partnership Strategy: Nepal, 2020-2024 – Promoting Connectivity, Devolved Services, and Resilience*. Manila.

<sup>13</sup> ADB. 2016. *Pacific Approach: 2016–2020*. Manila.

<sup>14</sup> ADB. 2018. *Country Partnership Strategy: Philippines, 2018-2023 – High and Inclusive Growth*. Manila.

<sup>15</sup> ADB. 2020. *Country Partnership Strategy: Papua New Guinea, 2021-2025 – Achieving Diversified, sustained and Inclusive Growth*. Manila.

<sup>16</sup> ADB. 2013. *Country Partnership Strategy: Thailand, 2013-2016*. Manila.

<sup>17</sup> ADB. 2016. *Country Partnership Strategy: Tajikistan, 2016-2020*. Manila.

<sup>18</sup> ADB. 2016. *Country Partnership Strategy: Viet Nam, 2016-2020 – Fostering More Inclusive and Environmentally Sustainable Growth*. Manila.

**Matrix of Comments on the Draft Knowledge and Support Technical Assistance  
REG: Private Sector Business Development for Climate-Resilient Agribusiness Projects in Asia and the Pacific**

Dept./Office	Comments	Actions Taken								
CWRD	<p>Thank you for seeking CWRD’s review. Kindly find below comments, provided by CWOD-CST [Ms. TingYing Lin, Public-Private Partnership Specialist (Innovative Finance)] and CWER (Mr. Nathan Rive, Senior Climate Change Specialist).</p> <p>The business development TA could be very instrumental to identify potential agribusiness investment opportunities through systematic market analysis and studies. We note that this is based on a concept already approved by the PPCR and that 4 of the eligible DMCs are in the Central and West Asia (CWA) region (Armenia, Kyrgyz Republic, Kazakhstan, Tajikistan).</p> <p>CWRD supports efforts in scaling up private sector investment in climate resilience, and we would be happy to coordinate and collaborate on your work in Armenia and Kazakhstan.</p> <p>Kindly find a few comments for your consideration:</p> <table border="1" data-bbox="331 776 1255 1421"> <thead> <tr> <th data-bbox="331 776 785 808">Section</th> <th data-bbox="785 776 1255 808">Comment</th> </tr> </thead> <tbody> <tr> <td data-bbox="331 808 785 841">CWOD-CST</td> <td data-bbox="785 808 1255 841"></td> </tr> <tr> <td data-bbox="331 841 785 1279"> <p><b>Para 10.</b> “Current resources are insufficient to allow PSOD-AIT to actively develop a more climate-resilient pipeline of projects, <b>in particular in relatively small and frontier markets</b> where business development is inherently more challenging. The addition of a consultant dedicated to monitoring markets and identifying projects displaying climate-resilient aspects at early stages—<b>in particular in the most vulnerable countries</b>—would considerably strengthen PSOD-AIT’s climate-resilient project pipeline.</p> </td> <td data-bbox="785 841 1255 1279"> <p>Is there any prioritized/focused market for the TA, such as relatively small and frontier markets, most vulnerable to climate change countries, or developing and middle income countries? If yes, could you classify the 22 eligible DMCs into the defined category? If not, what’s the principles for determining TA resource allocation (i.e. first come first serve opportunistic approach or any other criteria such as enhance geographical diversification etc.)?</p> </td> </tr> <tr> <td data-bbox="331 1279 785 1421"> <p><b>Para 11.</b> “The TA will help address barriers including the limited levels of private sector investment in climate resilient agribusiness, particularly <b>in the developing and middle-income</b></p> </td> <td data-bbox="785 1279 1255 1421"> <p>Is there any mechanism to make sure the benefits of this regional TA are not too concentrated in a few larger/dominant countries or regions?</p> </td> </tr> </tbody> </table>	Section	Comment	CWOD-CST		<p><b>Para 10.</b> “Current resources are insufficient to allow PSOD-AIT to actively develop a more climate-resilient pipeline of projects, <b>in particular in relatively small and frontier markets</b> where business development is inherently more challenging. The addition of a consultant dedicated to monitoring markets and identifying projects displaying climate-resilient aspects at early stages—<b>in particular in the most vulnerable countries</b>—would considerably strengthen PSOD-AIT’s climate-resilient project pipeline.</p>	<p>Is there any prioritized/focused market for the TA, such as relatively small and frontier markets, most vulnerable to climate change countries, or developing and middle income countries? If yes, could you classify the 22 eligible DMCs into the defined category? If not, what’s the principles for determining TA resource allocation (i.e. first come first serve opportunistic approach or any other criteria such as enhance geographical diversification etc.)?</p>	<p><b>Para 11.</b> “The TA will help address barriers including the limited levels of private sector investment in climate resilient agribusiness, particularly <b>in the developing and middle-income</b></p>	<p>Is there any mechanism to make sure the benefits of this regional TA are not too concentrated in a few larger/dominant countries or regions?</p>	<p>Thank you for your time to review the report and for your support. It is much appreciated.</p> <p><b>Para 10.</b> No prioritization is initially considered, though prioritization of projects in small and frontier markets, most vulnerable to climate change countries will be considered following the completion of the report described in Output 1, which should identify the availability of projects in these countries.</p> <p><b>Para 11.</b> We will ensure that these are not too concentrated in only a few countries. The agribusiness is quite dispersed already and we will continue in this manner while pursuing developing and middle income countries.</p>
Section	Comment									
CWOD-CST										
<p><b>Para 10.</b> “Current resources are insufficient to allow PSOD-AIT to actively develop a more climate-resilient pipeline of projects, <b>in particular in relatively small and frontier markets</b> where business development is inherently more challenging. The addition of a consultant dedicated to monitoring markets and identifying projects displaying climate-resilient aspects at early stages—<b>in particular in the most vulnerable countries</b>—would considerably strengthen PSOD-AIT’s climate-resilient project pipeline.</p>	<p>Is there any prioritized/focused market for the TA, such as relatively small and frontier markets, most vulnerable to climate change countries, or developing and middle income countries? If yes, could you classify the 22 eligible DMCs into the defined category? If not, what’s the principles for determining TA resource allocation (i.e. first come first serve opportunistic approach or any other criteria such as enhance geographical diversification etc.)?</p>									
<p><b>Para 11.</b> “The TA will help address barriers including the limited levels of private sector investment in climate resilient agribusiness, particularly <b>in the developing and middle-income</b></p>	<p>Is there any mechanism to make sure the benefits of this regional TA are not too concentrated in a few larger/dominant countries or regions?</p>									



Dept./Office	Comments		Actions Taken
	<p><b>countries</b> eligible for CIF support as identified in paragraph 2.”</p>		<p><b>Para 13.</b> Yes, all 22 countries are intended to be included. We are happy to share this.</p> <p><b>DMF.</b> Thank you, we have amended this in the concept paper</p> <p>Thank you, we have amended this in the concept paper</p>
<p><b>Para 13.</b> Output 1. The TA will support a simple internal desktop market gap analysis to identify and assess climate resilient agribusiness financing needs, gaps, availability, and opportunities in the CIF eligible countries identified in paragraph 2. Output 2. Based on the results of the market gap analysis, a preliminary pipeline of potential PSOD projects would be developed across the region.</p>	<p>Will the report cover all 22 CIF eligible countries? We would appreciate if such report and pipeline could be shared with CWRD once available so that we can explore potential One ADB collaboration opportunities in the agri sector in CWA early on.</p>		
<p><b>DMF.</b> Output statements and performance indicators</p>	<p>Output statements here in the DMF is not aligned with the ones in para 13, suggest to align.</p> <p>The performance indicator here is a bit confusing. Suggest to 1) have performance indicators for each of the 3 outputs, 2) include baseline for 2020, 3) indicate completion timing (such as by Dec 2023).</p>		
CWER			

Dept./Office	Comments	Actions Taken
	<p><b>Para 9.</b></p> <p>The resilient activities and interventions of the envisaged ensuing projects (para. 9) appear fairly standard to what sovereign ANR projects have done for several years. The KSTA could additionally seek to add value along the following lines:</p> <ol style="list-style-type: none"> <li>Framework for assessment. The KSTA could help develop a framework to categorize and assess the nature and impact of private sector adaptation. This is lacking in the literature and could help identify how to plan and design interventions going forward.</li> <li>Novelty. The TA could explore new approaches beyond established projects (e.g. R&amp;D, breaking new markets) and financing mechanisms (e.g. risk-based instruments) to engage in.</li> <li>Scalability. Intervention on an investment-by-investment basis may be less effective and scalable than interventions across the sector supporting many businesses. KSTA could help design such interventions.</li> </ol>	<p><b>Para 9.</b> We agree with the comment but note that the KSTA itself is specifically for BD to facilitate ADB partnering with private companies that are undertaking these type of activities independently. Resulting ADB investment would be envisioned to help increase/optimize this impact.</p> <ol style="list-style-type: none"> <li>A qualitative assessment could be included in the initial report, though impact would be very difficult to assess without significant additional M&amp;E funding. We will look to incorporate TRTAs on signed deals that focus on M&amp;E in this area, where funding for M&amp;E is available.</li> <li>Should companies utilizing more innovative or impactful climate resilient adaptations be identified, these will be pursued. While it would be rare to identify companies that dedicate significant R&amp;D resources to</li> <li>Please note that the KSTA is designed to improve the climate-resilient impact of the AIT portfolio rather than to provide direct interventions. That said, scalability is always a consideration and partnership with companies that operate on a regional scale are preferred.</li> </ol>
	<p><b>Para 11.</b></p> <p>The KSTA budget will be spread very thin across 22 countries. Recommend already selecting 2-3 countries to prioritize. PSOD could additionally seek funds from CCF, ACLIFF or other funds to top up PPCR financing.</p>	<p><b>Para 11.</b> KSTA budget is not specifically provided toward each country, instead we intend it to be used for business development across all countries and primarily contribute to contractor remuneration and travel required to complete this work. The initial desktop study (Output 1) report will identify climate resilient agribusiness financing needs, gaps, availability and opportunities across all 22 countries, and thereafter decisions on the best use of consultant business development efforts will be identified. Note that Output 1 comprises only 5% of the TA, and so 95% of the TA be directed at business development in countries, sectors and projects recommended by the Output 1 assessment results.</p>

Dept./Office	Comments	Actions Taken
<p><b>EARD/EASI</b> Xuedu Lu, Lead Climate Change Specialist</p>	<p>EARD appreciates the opportunity to comment on the Draft KSTA concept paper: Private Sector Business Development in Climate-Resilient Projects in Asia and the Pacific. EARD has following observations and comments for consideration to further improve the Paper.</p> <p><b>I. General comments</b></p> <p>The concept paper looks lack of clear storyline, and the draft paper quality seems not good enough.</p> <p><b>II. Specific comments</b></p> <ol style="list-style-type: none"> <li>1. There is no problem tree as required by TA template. Please add a problem tree.</li> <li>2. There is no para. 2. Please check.</li> <li>3. Para. 3 (i) – (xxii) may be largely simplified by deleting the introduction of most of the texts highlighting ADB’s support to DMCs. Also, please note there are several typos: “ADB” was written as “ADP”, “ADD” or “ABD”.</li> <li>4. On rationale part, para. 4-6 discuss about the needed investment on climate resilience, and para. 7-10 discuss about the climate resilient work done by PSOD-AIT and the needed support to PSOD-AIT. All of these seem not very like “rationale” to initiate this TA – what are the key issues identified to hinder the climate resilient investment in agribusiness by private sector?</li> </ol>	<p>Thank you for your time to review the report. It is much appreciated.</p> <p><b>General comments.</b> Noted, we have made some adjustments to provide clarity.</p> <p><b>Specific comments</b></p> <ol style="list-style-type: none"> <li>1. The KSTA concept paper template advises that “A problem analysis diagram is optional but encouraged for larger or complex TA designs”. We consulted with DEU who said that while problem trees are required for sovereign projects, they are optional for nonsovereign projects and only implemented when a project is deemed to be complex. DEU also reviewed this KSTA and considered it simple and supported our decision not to include a problem tree.</li> <li>2. Thank you, we have amended in the concept paper</li> <li>3. Thank you, we have amended the differential spellings in the concept paper. The section is intended to describe how the TA aligns with the CPS with each country. Deleting the introduction would remove the country identifier for each statement.</li> <li>4. Thank you, we will adjust the rationale to more clearly state the rationale. Succinctly, the story intended to be told is that (paras 4-6) while climate adaptation investment in Asia is lagging behind what ADB estimates is required and agribusiness financing is a growing and strategic sector for ADB, paras 7-10) PSOD-AIT is not currently well-equipped to increase investment in climate-resilient agribusiness due to lacking sufficient manpower and specific expertise in business development for climate-resilient agriculture</li> </ol>

Dept./Office	Comments	Actions Taken						
	<p>5. Please explain what is “Internal market climate resilience” in para. 13 (i).</p> <p>6. DMF: output 1 has no indicators</p>	<p>5. Should read “Internal climate resilience and gender-inclusive market gap analysis”. This has been amended.</p> <p>6. Thank you, this has been amended in the report.</p>						
<b>PARD</b>	<table border="1"> <thead> <tr> <th data-bbox="346 394 703 440">Department/ Division</th> <th data-bbox="703 394 1247 440">Comment</th> </tr> </thead> <tbody> <tr> <td data-bbox="346 440 703 1349"> <p><b>Noelle O’Brien</b> Principal Climate Change Specialist, PARD</p> </td> <td data-bbox="703 440 1247 1349"> <p><b>Advisory Comments</b></p> <p>The 0.45M funds will clearly secure the expertise to undertake market gap analysis for business development purposes, Help develop a preliminary pipeline of projects and support the preparation of funding applications – all of which are fully valid under PSODs Plan to focus on climate resilience within the agribusiness sector. I note that six of our Pacific Countries are listed as eligible for the CIF funds so we will certainly be willing to provide input to the climate change context and background data for their analysis. It is quite challenging to provide any specific comments based on the very broad nature of the TA.</p> <p>In terms of the country details, the new Maldives CPS will go to the board next week so this Concept Paper should make reference to that.</p> <p>The concept note omits reference to one of the key aspects of climate resilient agriculture, “climate related data/ down-scaled weather information” as all climate resilient investments do have to consider climate factors and this is essential for tracking any performance related to climate finance. Choosing the seeds etc all needs to be informed not just by long term projections but by seasonal forecasts which form the basis for any types of weather related insurance.</p> </td> </tr> <tr> <td data-bbox="346 1349 703 1403"> <p><b>Shiu Raj Singh</b></p> </td> <td data-bbox="703 1349 1247 1403"> <p><b>Advisory Comments</b></p> </td> </tr> </tbody> </table>	Department/ Division	Comment	<p><b>Noelle O’Brien</b> Principal Climate Change Specialist, PARD</p>	<p><b>Advisory Comments</b></p> <p>The 0.45M funds will clearly secure the expertise to undertake market gap analysis for business development purposes, Help develop a preliminary pipeline of projects and support the preparation of funding applications – all of which are fully valid under PSODs Plan to focus on climate resilience within the agribusiness sector. I note that six of our Pacific Countries are listed as eligible for the CIF funds so we will certainly be willing to provide input to the climate change context and background data for their analysis. It is quite challenging to provide any specific comments based on the very broad nature of the TA.</p> <p>In terms of the country details, the new Maldives CPS will go to the board next week so this Concept Paper should make reference to that.</p> <p>The concept note omits reference to one of the key aspects of climate resilient agriculture, “climate related data/ down-scaled weather information” as all climate resilient investments do have to consider climate factors and this is essential for tracking any performance related to climate finance. Choosing the seeds etc all needs to be informed not just by long term projections but by seasonal forecasts which form the basis for any types of weather related insurance.</p>	<p><b>Shiu Raj Singh</b></p>	<p><b>Advisory Comments</b></p>	<p>Thank you for your time to review the report and for your support. It is much appreciated.</p> <p>Thank you, we will amend when this is available.</p> <p>Thanks you, this is a very useful comment/addition. Amended to para 9 (ii) in the concept paper.</p> <p>Thank you for your time to review the report. It is much appreciated.</p>
Department/ Division	Comment							
<p><b>Noelle O’Brien</b> Principal Climate Change Specialist, PARD</p>	<p><b>Advisory Comments</b></p> <p>The 0.45M funds will clearly secure the expertise to undertake market gap analysis for business development purposes, Help develop a preliminary pipeline of projects and support the preparation of funding applications – all of which are fully valid under PSODs Plan to focus on climate resilience within the agribusiness sector. I note that six of our Pacific Countries are listed as eligible for the CIF funds so we will certainly be willing to provide input to the climate change context and background data for their analysis. It is quite challenging to provide any specific comments based on the very broad nature of the TA.</p> <p>In terms of the country details, the new Maldives CPS will go to the board next week so this Concept Paper should make reference to that.</p> <p>The concept note omits reference to one of the key aspects of climate resilient agriculture, “climate related data/ down-scaled weather information” as all climate resilient investments do have to consider climate factors and this is essential for tracking any performance related to climate finance. Choosing the seeds etc all needs to be informed not just by long term projections but by seasonal forecasts which form the basis for any types of weather related insurance.</p>							
<p><b>Shiu Raj Singh</b></p>	<p><b>Advisory Comments</b></p>							

Dept./Office	Comments	Actions Taken
	<p data-bbox="359 228 674 277"><b>Financial Sector Specialist, PLCO</b></p> <ol data-bbox="716 228 1220 1403" style="list-style-type: none"> <li data-bbox="716 228 1220 277">1. KSTA at a glance page is missing sector/subsector classification (Section 2).</li> <li data-bbox="716 310 1220 581">2. Paragraph 3 (check paragraph numbering) requires confirmation if the technical assistance is aligned to a country assistance program. References for (i) Kiribati, (ii) Samoa, (iii) Solomon Islands, (iv) Tonga, and (v) Vanuatu are to CPSs of the past. Please update references. In this instance partnership reference for all PICs, except Fiji and PNG, will be: ADB. 2016. <i>Pacific Approach: 2016–2020</i>. Manila.</li> <li data-bbox="716 613 1220 695">3. Paragraph 3 reference to PNG Country Partnership Strategy needs to be updated. A new strategy was approved in 2020.</li> <li data-bbox="716 727 1220 808">4. Country by country details of projects and technical assistance could be moved to an Appendix.</li> <li data-bbox="716 841 1220 971">5. Please confirm technical assistance or project support for climate resilience agriculture/agribusinesses mentioned country by country with appropriate references.</li> <li data-bbox="716 1268 1220 1403">6. The "Proposed Solutions" section is missing the standard wording requirements of a KSTA Concept Paper. Refer to guidance from <a href="https://asiandevbank.sharepoint.com/w:r/te">https://asiandevbank.sharepoint.com/w:r/te</a></li> </ol>	<ol data-bbox="1283 228 1997 1295" style="list-style-type: none"> <li data-bbox="1283 228 1997 277">1. Thank you, this has been updated and amended in the concept paper</li> <li data-bbox="1283 310 1997 407">2. Thank you, the paragraph numbering error has been fixed and the country assistance program updated for Kiribati, Samoa, Solomon Islands, Tonga and Vanuatu.</li> <li data-bbox="1283 586 1997 618">3. Thank you, this has been updated in the concept paper</li> <li data-bbox="1283 716 1997 748">4. Well noted and this recommendation has been adopted.</li> <li data-bbox="1283 829 1997 1230">5. TA support is not specifically provided toward each country, instead we intend it to be used for business development across all countries and primarily contribute to contractor remuneration and travel required to complete this work. The initial desktop study (Output 1) report will identify climate resilient agribusiness financing needs, gaps, availability and opportunities across all 22 countries, and thereafter decisions on the best use of consultant business development efforts will be identified. Note that Output 1 comprises only 5% of the TA, and so 95% of the TA be directed at business development in countries, sectors and projects recommended by the Output 1 assessment results.</li> <li data-bbox="1283 1263 1997 1295">6. Well noted and amended in the concept paper.</li> </ol>

Dept./Office	Comments	Actions Taken
	<p data-bbox="764 228 1230 362"> <a href="https://ams/org_iau/layouts/15/Doc.aspx?sourcedoc=%7B8C49BCA9-376D-4229-8D85-73B665EC1634%7D&amp;file=KSTA%20Concept%20Paper.docx&amp;action=default&amp;mobiledirect=true">ams/org_iau/ layouts/15/Doc.aspx?sourcedoc=%7B8C49BCA9-376D-4229-8D85-73B665EC1634%7D&amp;file=KSTA%20Concept%20Paper.docx&amp;action=default&amp;mobiledirect=true</a>.         </p> <p data-bbox="716 391 1203 472">7. The Design and Monitoring Framework needs to be consistent with the Proposed Solutions section.</p>	<p data-bbox="1283 378 1997 440">7. Thank you, the DMF has been updated for consistency and to provide better defined performance indicators.</p>
<p data-bbox="102 480 180 505"><b>SARD</b></p>	<p data-bbox="327 480 1220 597">SARD supports the project as the proposed KSTA would open up the possibility of bringing in PSOD Agribusiness Investment Team to look for climate-resilient agriculture projects and build pipeline for future investment, including in Bangladesh, Bhutan, India, Maldives and Nepal.</p> <p data-bbox="327 630 989 654">Please find our comments below for your consideration:</p> <p data-bbox="327 691 1262 1084">1. While KSTA is focusing on development of private sector business in climate-resilient agri-business, it has a small budget of \$450,000 to be utilized in studies to be conducted in 22 countries, including Nepal. This means an average \$20,000 fund could be available per country, with which it may be difficult to produce some bankable work. For Nepal, the TA has plan to explore ways to scale up private sector business models and technology solutions to increase climate resilient impacts focusing on gender equity, agriculture, inclusive finance, and climate change adaptation. While the private sector in Nepal may not be much prepared to invest in climate resilience in agriculture, gender equity and adaptation, this is a good initiative. However, aiming to prepare 10 pipeline projects for a country could be a tall aim with given resources and private sector business environment in the country.</p> <p data-bbox="359 1117 1262 1268">Although this TA is going to be looking for private sector projects and early stage pipeline preparation work, with investment to come later on, it may still require government clearance before implementing activities under the TA. The Ministry of Finance might raise the issue relating to small amount of \$20,000 to be allocated by country on average.</p> <p data-bbox="359 1300 1178 1390">Based on the above, it may be better if the study may consider an appropriate number of countries to be able to do some concrete work instead of distributing small amount of money in almost two dozen</p>	<p data-bbox="1283 480 1955 537">Thank you for your time to review the report and for your support. It is much appreciated.</p> <p data-bbox="1283 691 1997 1057">1. To be clear, the project aims to identify 10 pipeline projects across the region, not 10 per country. The focus of Output 1 is a market gap analysis in these 22 countries and comprises only 5% of the project. The results of this gap analysis will help prioritize subsequent business development activities, which are not intended to be evenly distributed across all 22 countries. The 22 countries are identified as the TA is financed by PPCR and they are the ADB countries which are also CIF eligible. Other ADB countries are not eligible to receive PPCR funding and so the project does not include those countries even at the assessment stage.</p> <p data-bbox="1314 1089 1997 1325">The activities conducted as part of this TA will not be materially different from those conducted by other PSOD investment specialists, aside from the specific focus on climate-resilient agribusiness. There is no financial allocation to each country, the TA will primary fund consultant remuneration and travel expenses as they conduct work in a similar fashion to ADB investment specialists.</p> <p data-bbox="1314 1357 1997 1414">The study resulting from output 1 will be internal only and used primarily to define the most effective approach to</p>

Dept./Office	Comments	Actions Taken
	<p>countries. Countries could be selected based on the status of private sector development and market opportunity in climate related business.</p> <p>2. Nepal could benefit if the support could link the community (such as community forest users group) and renewable energy projects with international carbon market for <i>Payment for Ecosystem Services</i>.</p> <p>3. It would be useful to pair up the chosen international consultant with a knowledgeable national consultant to utilize the limited resources for better liaising with private companies.</p> <p>4. The 2 plus pages of country by country CPS details in para 3 (but actually para 2—this is an editorial mistake) could be put in the appendix. The key is simply to convey the CIF eligible countries in the para. This would free space to elaborate substantively on the areas of focus and TA outputs for better integrating climate dimensions into NSO projects.</p> <p>5. Para 7 presents a reasonable grouping of 4 areas of potential ADB support along agriculture value chains. The TA should expand this discussion and give more details. It should already give some indication of climate issues/opportunities in each area that will be explored further in the TA.</p> <p>6. Para 9 highlights the prospective pipeline for climate projects. We find 9i, on contract farming, quite specific at this stage. It might be useful to broaden this to “<i>service and input suppliers including contract farming arrangements</i>”. There could be other agribusinesses supported providing climate related inputs, extension services and even machinery.</p> <p>7. The text in the title and para 11 state that the focus is on climate resilient agribusiness. But other parts of the TA paper such as para 9 also have dual benefit and mitigation dimensions. So is the TA focus climate more generally or resilience? A case for either can be made but the TA should be clear of its coverage.</p> <p>8. Is the TA limited to investment projects? Will it also look to develop/identify financial products for FI lending to agribusiness for climate activities?</p>	<p>building a pipeline of climate-resilient agribusiness projects.</p> <p>2. Well noted and generally we agree. However note that PPCR focus is on climate resilience and adaptation rather than mitigation, but projects that pursue both, as your example might, would obviously be attractive.</p> <p>3. Well noted, however funding limitations likely prevent this as an option.</p> <p>4. Thank you, the paragraph numbering error has been amended and the detailed country-by-country CPS assessment moved to an appendix, as per your suggestion</p> <p>5. Thank you. We have added some detail on climate related data and down-scaled weather information. Where items did not have examples in brief, examples have been added.</p> <p>6. Thank you for this comment. In 9i specifically, we are referring to contract agreements in which the company offtakes from the farmer, or occasionally where there are contracts between input suppliers and farmers as this can help facilitate uptake of climate-resilient farming methods. However, your point about service and input suppliers is noted and will be incorporated into this section in point 9iv</p> <p>7. The focus is specific to climate resilience, including climate change adaptation, with a preference for projects that also are categorized as EGM. This has been edited for clarity in the concept paper.</p> <p>8. The TA is limited to direct assistance to agribusiness projects, not FI.</p>

Dept./Office	Comments	Actions Taken
	<p>Further, we would also like to share our gender review of the draft KSTA concept paper. With the DMF outcome and three target outputs focused on relevant agribusiness projects that mostly are potentially EGM, the TA can substantively contribute to gender equality and women’s empowerment in the sector. To highlight this aim, we suggest, for your consideration, the following:</p> <ol style="list-style-type: none"> <li>1. In the list of TA aims in para. 9, consider adding in (i)—after “smallholder farmers”— the following ending phrase, “with special assistance to vulnerable women farmers and small farmers from below-poverty-line households.”</li> <li>2. As the TA includes OP1 in its list of operational priorities (KSTA at a Glance), in the description of Output 1 in para. 13, consider changing “gender-inclusive gap analysis” to “gender- and socially inclusive gap analysis.”</li> <li>3. In para. 14, consider changing (ii) to “promoting gender- and socially inclusive rural development and food security.”</li> </ol> <p>India CPS inter-alia supports private sector investments in agriculture including agribusiness and value-chain networks. While we support the initiative through the KSTA, reduce climate change impacts and investments in climate resilient projects, a few advisory observations on the draft concept paper are provided.</p> <p><b>INRM Advisory comments:</b></p> <ul style="list-style-type: none"> <li>• The concept paper clearly presents the rationale and desired outputs of the TA in terms of identifying agribusiness development opportunities that will help alleviate the vulnerability of the industry to climate change and thus mitigate the impacts of climate change in general. In India, the agriculture sector contributed around 15% to India’s economic growth in the financial year ending March 2020 and accounts for 12.6% (\$154 billion) of the overall credit of banks. The severity of climate change can have dire consequences for India’s agriculture sector, inflation, and the overall economy.</li> <li>• In India, several action agenda and flagship project networks in tackling the impact of climate change on agriculture have already been set up including the National Mission for Sustainable Agriculture, National Food Security</li> </ul>	<p>Thank you for your time to review the report and for your support. It is much appreciated.</p> <ol style="list-style-type: none"> <li>1. Thank you, this has been amended in the concept paper</li> <li>2. Thank you, this has been amended in the concept paper</li> <li>3. Thank you, this has been amended in the concept paper</li> </ol> <p>Thank you for your time to review the report and for your support. It is much appreciated.</p> <p>Thank you, we agree and recognize these issues as well.</p> <p>Thank you and we agree.</p>



Dept./Office	Comments	Actions Taken
	<p>Mission, National Innovations in Climate Resilient Agriculture, etc. These programs and other government priority plans should also be considered in the TA's internal gap analysis and pipeline project identification to ensure that the projects would have strong government support.</p> <ul style="list-style-type: none"> <li>• The TA aims to support climate finance business development activities in agribusiness investments across 22 countries. From the proposed outputs, it does not seem that the TA can support a project in each country. Can a list of criteria or methodology for selection and prioritization of projects be outlined at this point e.g. via foresight studies, vulnerability assessment, and ex-ante impact assessment?</li> <li>• Considering that the DMF highlights gender-responsive outcomes and outputs, the role of gender in amplifying the impact of the TA could be included by briefly discussing the importance of gender in the dynamics.</li> <li>• In para 3 (v) "mitigate further water stress resulting from climate change" can be added from India CPS.</li> <li>• Para 9(iv): Mitigation measure for agriculture waste burning can be addressed under this component, though biomass has been mentioned but specific mention of this important issue in north India would be relevant.</li> <li>• Para 13: Output 1 introduces the gender inclusive gap, but it has not been linked as one of the concerns in the narrative. It would be useful to add the linkage to gender issues in the agribusiness sector or climate change impacts.</li> <li>• In general, there are a few typographical errors to be addressed in various parts of the document.</li> </ul> <p>As Agriculture sector is characterized by large public sector investment which helps in catalyzing private sector investments, it would be good to have ADB sovereign financed projects to be made part of the secondary data study to identify the opportunities.</p>	<p>The prioritization will largely be based on the findings of the gap analysis, but preference would be given to small and emerging markets and countries most vulnerable to climate change. Additional specifics on this have been added to the concept paper.</p> <p>Well noted. Additional emphasis on gender equality has been added in the concept paper.</p> <p>Thank you, this has been amended in the concept note. Please note that the discussion on project alignment with specific CPS has been moved to an appendix</p> <p>Thank you, this has been added to the concept note.</p> <p>Thank you, this has been added to the concept note.</p> <p>Thank you, this has been addressed.</p> <p>We will investigate this.</p>
<b>BRM</b>	<b>I. FUNDAMENTAL COMMENTS</b>	

Dept./Office	Comments		Actions Taken
<p>Soon Chan Hong, Senior Economist Bangladesh Resident Mission</p>	<p><b>Key issues</b></p>	<p><b>Requested revisions or actions</b></p>	<p>Thank you, governments will be consulted with by the consultant during output 1 and no-objection from each will be sought. The consultant will start so long as a critical mass of no-objection has been obtained from the countries.</p> <p>Well noted and we agree.</p> <p>Output 1 will target all 22 CIF eligible countries. The results of output 1 will help identify priority countries for outputs 2 and 3, which would at least partially be related to the availability of suitable partners</p> <p>Well note, and this will be shared with other ADB departments. Additional products may be considered if relevant, but the primary purpose of this assessment is to improve AIT business development with respect to climate-resilient agribusiness projects and to ensure effectiveness of the consultant in outputs 2 and 3</p> <p>Thank you, this error has been amended.</p>
	<p>Consultation with the government and stakeholder</p>	<p>It is requested the TA team to conduct consultation with the government (Economic Relations Division in case of Bangladesh) and secure prior concurrence. TA team may also consult with potential beneficiaries and relevant stakeholders. This process will make the TA team have better understanding on the country's needs, and ensure the government ownership including timely endorsement by the government after the TA approval.</p>	
	<p>One ADB approach and collaboration with regional departments.</p>	<p>It is requested the TA team to share the outputs of the TA with regional departments for potential collaboration in project development as well as knowledge solutions. In doing so, the TA team may consult with the programming team in the resident missions.</p>	
	<p>Target countries for output 1 and wider dissemination.</p>	<p>It is not clear whether output 1 targets all the CIF eligible countries or only selected countries. If it only targets the selected countries, TA report may clearly indicate the selection criteria.</p> <p>It is also requested to share the output, indicated as an internal document, with regional department for potential collaboration between regional departments and PSOD. The TA may also consider producing knowledge products for enhanced capacity of stakeholders, rather than keeping the output only as an internal document.</p>	
<p>Paragraph 14. Unclarity on target countries</p>	<p>Paragraph 14 mentions that TA will address barriers including the limited levels of private sector investment in climate-resilient agribusiness in the Southeast Asian countries. However, it is not clearly why only Southeast Asian countries are mentioned. TA team may clarify further on the target countries.</p>		

Dept./Office	Comments	Actions Taken												
	<table border="1"> <tr> <td data-bbox="348 224 701 553">Gender categorization and gender related information.</td> <td data-bbox="701 224 1247 553">While the DMF includes specific gender related indicators and target that satisfy the EGM categorization, the TA concept paper is weak in integrating gender related information in the rationale, and in output 1 and output 2. While the output title has gender in it, the description has no information or details on how the gender gap analysis will be done (for output 1) and what are the additions in terms of gender proposed (output 2). The final concept paper and TA report should clarify such aspects.</td> </tr> <tr> <td data-bbox="348 553 701 914">TA implementation period.</td> <td data-bbox="701 553 1247 914">Given that the target countries are already experiencing climate change related impacts like increased temperature, unpredictable rainfall, floods and droughts, a three-year time frame for the TA to be conducted by a single consultant could be reviewed, to shorten the TA duration and quickly respond to the needs. As the climate-resilient interventions likely to emerge from the study can have far-reaching impacts on the agricultural sector, it is all the more desirable to complete the TA, and come out with investment proposals at the earliest.</td> </tr> <tr> <td colspan="2" data-bbox="348 914 1247 995" style="text-align: center;"><b>II. ADVISORY COMMENTS</b></td> </tr> <tr> <td colspan="2" data-bbox="348 995 1247 1057"> <table border="1"> <thead> <tr> <th data-bbox="348 995 701 1057">Key issues</th> <th data-bbox="701 995 1247 1057">Suggested revisions or actions</th> </tr> </thead> <tbody> <tr> <td data-bbox="348 1057 701 1167">Paragraph 12. Consultant recruitment</td> <td data-bbox="701 1057 1247 1167">Paragraph 12 mainly explains implementation arrangement. Therefore, it may better fit with the implementation arrangements section.</td> </tr> </tbody> </table> </td> </tr> </table>	Gender categorization and gender related information.	While the DMF includes specific gender related indicators and target that satisfy the EGM categorization, the TA concept paper is weak in integrating gender related information in the rationale, and in output 1 and output 2. While the output title has gender in it, the description has no information or details on how the gender gap analysis will be done (for output 1) and what are the additions in terms of gender proposed (output 2). The final concept paper and TA report should clarify such aspects.	TA implementation period.	Given that the target countries are already experiencing climate change related impacts like increased temperature, unpredictable rainfall, floods and droughts, a three-year time frame for the TA to be conducted by a single consultant could be reviewed, to shorten the TA duration and quickly respond to the needs. As the climate-resilient interventions likely to emerge from the study can have far-reaching impacts on the agricultural sector, it is all the more desirable to complete the TA, and come out with investment proposals at the earliest.	<b>II. ADVISORY COMMENTS</b>		<table border="1"> <thead> <tr> <th data-bbox="348 995 701 1057">Key issues</th> <th data-bbox="701 995 1247 1057">Suggested revisions or actions</th> </tr> </thead> <tbody> <tr> <td data-bbox="348 1057 701 1167">Paragraph 12. Consultant recruitment</td> <td data-bbox="701 1057 1247 1167">Paragraph 12 mainly explains implementation arrangement. Therefore, it may better fit with the implementation arrangements section.</td> </tr> </tbody> </table>		Key issues	Suggested revisions or actions	Paragraph 12. Consultant recruitment	Paragraph 12 mainly explains implementation arrangement. Therefore, it may better fit with the implementation arrangements section.	<p data-bbox="1283 224 1961 256">Thank you, this has been amended in the concept paper.</p> <p data-bbox="1283 561 1997 862">The output 1 study is scheduled to be completed by Q2 2021 (As noted in the DMF), and so will be available in the short term. The business development practices envisioned in outputs 2 and 3 require significant discussions and information exchanges with potential partners, in addition to a personal connection to a single ADB representative. While we agree more timely interventions would be ideal, a more compact project delivery timeline is likely not realistic to deliver the desired outcome. This is discussed in paragraph 12.</p> <p data-bbox="1283 1049 1415 1081">Well noted</p>
Gender categorization and gender related information.	While the DMF includes specific gender related indicators and target that satisfy the EGM categorization, the TA concept paper is weak in integrating gender related information in the rationale, and in output 1 and output 2. While the output title has gender in it, the description has no information or details on how the gender gap analysis will be done (for output 1) and what are the additions in terms of gender proposed (output 2). The final concept paper and TA report should clarify such aspects.													
TA implementation period.	Given that the target countries are already experiencing climate change related impacts like increased temperature, unpredictable rainfall, floods and droughts, a three-year time frame for the TA to be conducted by a single consultant could be reviewed, to shorten the TA duration and quickly respond to the needs. As the climate-resilient interventions likely to emerge from the study can have far-reaching impacts on the agricultural sector, it is all the more desirable to complete the TA, and come out with investment proposals at the earliest.													
<b>II. ADVISORY COMMENTS</b>														
<table border="1"> <thead> <tr> <th data-bbox="348 995 701 1057">Key issues</th> <th data-bbox="701 995 1247 1057">Suggested revisions or actions</th> </tr> </thead> <tbody> <tr> <td data-bbox="348 1057 701 1167">Paragraph 12. Consultant recruitment</td> <td data-bbox="701 1057 1247 1167">Paragraph 12 mainly explains implementation arrangement. Therefore, it may better fit with the implementation arrangements section.</td> </tr> </tbody> </table>		Key issues	Suggested revisions or actions	Paragraph 12. Consultant recruitment	Paragraph 12 mainly explains implementation arrangement. Therefore, it may better fit with the implementation arrangements section.									
Key issues	Suggested revisions or actions													
Paragraph 12. Consultant recruitment	Paragraph 12 mainly explains implementation arrangement. Therefore, it may better fit with the implementation arrangements section.													
<b>SERD/SEER</b> Email sent by Katherine L. Jacob Operations Assistant	SEER fully supports the proposed KSTA given its potential synergies and collaborations with our operations especially in agricultural value chain development projects in Southeast Asia region. The following are comments for your consideration, and we look forward to working closely with PSOD/AIT.	Thank you for your time to review the report and for your support. It is much appreciated.												

Dept./Office	Comments	Actions Taken
	<ul style="list-style-type: none"> <li>• <b>Title:</b> Suggest to add the word “Agribusiness” into the title so that it is clear that this KSTA is for developing climate-resilient agribusiness projects, not for broad private sector business development.</li> <li>• <b>Linkages between sovereign and non-sovereign:</b> The sovereign and non-sovereign linkage is missing in the proposed TA. As agribusiness development is also a key operation area of all regional departments and highlighted in the S2030 OP5 Operational Plan, the TA should look into the linkage of sovereign and non-sovereign operations, and identify and develop joint or collaborative RD-PSOD initiatives, and add in relevant discussions in the Rational and Proposed Solutions sections.</li> <li>• <b>Rationale:</b> The rationale describes the strategies, PSOD/AIT’s works and staffing, and the challenges and issues are not fully linked with the proposed solutions. Suggest to strengthen the rational with (i) why climate-resilient agribusinesses, driven by private sector, is important, (ii) what are the constraints agribusiness face difficulties or are reluctant to adopt climate-friendly business practices; and (iii) <b>ADB’s value addition:</b> what is the value addition the PSOD/AIT will bring into (meaning that what are the things private sector will not pursue strongly if there is no investment from PSOD/AIT)</li> <li>• <b>Country selection:</b> Given that the proposed TA will cover 22 countries, suggest to consider reducing the number of countries targeted such as LICs and SIDs, in order to allow for more focused analysis, pipeline development, and project processing.</li>   <li>• <b>Para 1:</b> Suggest to change the wording of desktop market analysis to desk market analysis or desk-based market analysis</li> <li>• <b>Para 3:</b> Suggest to simplify/make a table of a list of country, which goes over 2 pages</li>   <li>• <b>Para 13 Output 1:</b> Suggest to consider to look at (i) how the private sector can help farmers adopting CSA through contract farming and (ii) application of the digital ecosystem/potential use of ICT to strengthen it</li> </ul>	<p><b>Title.</b> Thank you, this has been amended.</p> <p><b>Linkages.</b> Thank you, we have amended the concept paper.</p> <p><b>Rationale.</b> Some amendments and adjustments to existing language were made to more clearly emphasize these points.</p> <p><b>Country Selection.</b> The study in output 1 will cover all 22 countries, but will also be used to prioritize efforts in output 2 and 3, and may result in focusing on a subset of the 22 countries. Priority will be given to projects in small and emerging markets and countries most vulnerable to climate change.</p> <p><b>Para 1.</b> Thank you, this has been amended in the paper</p> <p><b>Para 3.</b> Thank you, the list of country-by-country CPS project alignment information has been moved to an appendix</p> <p><b>Para 13 Output 1.</b> The report is exclusively a market gap analysis designed to highlight investment opportunities and improve business development practices within AIT as it pertains to developing a pipeline of climate resilient agribusiness projects. Thereafter projects will individually be assessed partially on their climate resilience</p>


Dept./Office	Comments	Actions Taken
	<ul style="list-style-type: none"> <li>• <b>Para 13 Output 3:</b> Please clarify the last sentence of description that “At financial close, projects would also catalyze financing from private sector sources.” When the project sponsors approach PSOD, they already commit to finance some share of the investment out of equity (cannot be 100% debt financing). Therefore, equity contribution from “private sector sources” is a prerequisite for loan approval, not a result (stimulated/catalyzed by) of loan approval. Suggest to remove the entire sentence.</li> <li>• <b>Para 14 and DMF:</b> To add footnote of the source for the impact statement</li> <li>• <b>Para 14:</b> While the TA will cover countries across different regions, not sure why para. 14 refers to “Southeast Asia countries” only.</li> <li>• <b>Output statements:</b> To ensure consistency between the output statements in the main text and DMF</li> <li>• <b>DMF indicators:</b> No DMF targets associated with Output 3. Please ensure that each output has own indicators (e.g., 1.1, 1.1, 2.1, 3.1 etc) and performance indicators are aligned with the outputs.</li> <li>• <b>DMF indicator:</b> Suggest to rephrase the sentence “Up to ten potential projects identified for processing” to “at least XX project” since if it’s “UP TO”, then even only with one project identified, arguably still achieved.</li> <li>• <b>DMF indicator:</b> the second indicator only requires that ten potential projects be “identified”. Please clarify what kinds of documents to be prepared under Output 3, and these documents will be up to what stage of processing (e.g., just a first draft or all the way to approval)?</li> </ul>	<p>impact/potential and contract farmer agreements and use of ICT are important parts of CSA impact.</p> <p><b>Para 13 Output 3.</b> Noted and amended in the report</p> <p><b>Para 14 and DMF.</b> Noted and amended in the report</p> <p><b>Para 14.</b> This was an error which has been amended.</p> <p><b>Output statement.</b> Noted and amended in the report</p> <p><b>DMF indicators.</b> Noted and amended in the report</p> <p><b>DMF indicator.</b> Noted and amended in the report</p> <p><b>DMF indicator.</b> These are projects added to the internal project pipeline tracking and which are categorized as climate resilient (adaptation) and 8 of which are EGM as well.</p>

Dept./Office	Comments		Actions Taken
LRM	<b>Originator</b>	<b>Comments</b>	<p>Thank you for your time to review the report and for your support. It is much appreciated.</p> <p>Regarding the country coverage, please note that this project includes business development across all ADB DMCs that are included in CIF's eligibility list. Output 1 will focus on a market gap assessment on all of these countries, though subsequent business development activities may be focused or confined to certain countries based on the results of output 1. Where possible, projects in SIDs and LICs will be prioritized and this specification has been added to the concept paper.</p> <p>Support in identifying projects in Lao PDR (or any other included country) would be greatly appreciated.</p> <p>1. Thank you, this has been corrected</p> <p>2. Thank you, rather than inclusion in the implementation arrangements, we have included in output 1 description.</p>
	<p>Omer Zafar Principal Natural Resources and Agriculture Specialist (Outpost- SEER)</p>	<p>I had a look at the proposal, which will support PSOD's Agribusiness Investment Team (AIT) to increase its investments in climate-resilient agribusinesses across the region. Specifically, the TA will assess climate-resilient agribusiness financing opportunities, develop a pipeline of potential climate-resilient agribusiness projects with gender additionality, and prepare funding applications, project structuring and processing. To me, the proposal looks interesting, relevant, and robust.</p> <p>The proposed TA would cost USD 0.45m and cover 22 countries. My suggestion would be to consider reducing the number of countries targeted, in order to allow for more focused analysis, pipeline development and project processing. Perhaps it would be better to focus on LICs and SIDs where the needs for climate-resilient agribusiness investments are greater. It is good to see that Lao PDR is included, and LRM may be positioned to support the PSOD AIT team to identify potential agribusiness investments.</p>	
<p>Mr. Phanthouleth Louangraj Senior Economics Officer LRM</p> <p>Chandaworn Bounnad Project Analyst</p>	<ol style="list-style-type: none"> <li>1. In para 3, wrong spelling of ADB. Some section spelling is ADP, ADD, and so on.</li> <li>2. The implementation arrangement needs to be clearly defined how PSOD will coordinate with regional department and country level to implement and to do assessment of the potential pipeline and projects in this area. Some countries have limited experience</li> </ol>		

Dept./Office	Comments		Actions Taken
		working with PSOD. This needs to be identified at the beginning.	<p>Thank you for your time to review the report and for your support. It is much appreciated.</p> <p>The reference to national consultants has been removed. It is not likely that, given the budget and requirements of the TA, national consultants will be required.</p>
	Vongphet Soukhavongsa Safeguards Officer LRM	I fully agree with the rationale and outputs of this TA. My only comment is that the TA says that the national consultants may be needed to support the implementation of the TA, however, it doesn't say on what basis the national consultant will be needed for respective country and what his/her roles are. I do not think with this small TA budget, national consultants will be hired to support for all countries. Thus, it would be good if the TA highlight the condition in which national consultant will be needed. For LRM, as we do not have a climate change specialist, so the national consultant will certainly be needed to support the implementation of this TA.	
<b>PPFD/PPF2</b> Michael Walsh, Procurement Specialist	<p>I have reviewed the draft KSTA paper on behalf of PFP2. I have one comment:</p> <ul style="list-style-type: none"> <li>• <b>Para 16 states:</b> 'An individual consultant will be recruited through framework agreements'. Can you advise if there is an existing framework agreement in place for this? If not, note it may not be desirable to set up a framework agreement unless there is a firm pipeline of work for a number of individuals over a period of time for this or other projects. If this is not the case it is unlikely a framework agreement will be an efficient recruitment method. Therefore, unless there is already a framework in place I advise to remove the reference to framework agreement, this will give you the option of doing an individual recruitment if required.</li> </ul> <p>No further comments.</p>		<p>Thank you for your review and time. We have amended the concept paper as per your recommendation.</p>
<b>SDCC/SDTC-GEN</b> Zonibel Woods	<p>Thank you for the opportunity to review the concept paper for <b>KSTA Private Sector Business Development in Climate Resilient projects in Asia and</b></p>		<p>Thank you for your time to review the report. It is much appreciated.</p>

Dept./Office	Comments	Actions Taken
	<p><b>the Pacific. SDTC Gender Team</b> offers the following comments provided by <b>Zonibel Woods</b>.</p> <p>Fundamental:</p> <p>We note and welcome the proposed effective gender mainstreaming (EGM) category. However, we have a number of suggestions to strengthen the concept paper from a gender perspective:</p> <ol style="list-style-type: none"> <li>1. Para 1. Refers to how this TA will “focus on investment opportunities that will improve climate resilience within the agribusiness value chain...” Please also include a reference to gender responsive and climate resilient investments. There is also mention of a preliminary desktop market analysis and preliminary screening of opportunities - please include gender analysis to be conducted as part of these.</li> <li>2. Para 2 appears to be missing.</li> <li>3. Para 3. Mentions the target of 75% of committed operations to support climate change mitigation and adaptation. Please consider also referencing the comparable target of “At least 75% of the number of ADB’s committed operations will promote gender equality by 2030.”</li> <li>4. Paras 4-6. Rationale: please consider referencing OP2 and OP5 which speak to women’s participation in agricultural value chains. OP2 refers to investing to ensure equal access of women to business opportunities and finance. OP5 refers to expanding women’s jobs including in agribusiness value chains and access to finance. Please also consider briefly mentioning the feminization of agriculture in some countries is the Asia Pacific.</li> <li>5. Para 9. We suggest including data on the percentage share and number of PSOD-AIT projects that are currently gender mainstreamed, and percentage in relation to overall ADB financial support to agribusiness, similar to data provided on projects that have had climate change adaptation features.</li> <li>6. Para 10. Please consider highlighting that the new pipeline should be gender-responsive as well as climate-resilient, include reference to how gender expertise is provided to the PSOD-AIT team, and if/how additional gender expertise will be contracted through the TA consultancy budget.</li> <li>7. Para 13 i) Output 1- Please reference gender analysis as a key element of the ‘gender-inclusive gap analysis’.</li> <li>8. DMF:</li> </ol>	<ol style="list-style-type: none"> <li>1. Thank you, we have added this in the paper</li> <li>2. Thank you, paragraph numbering has been corrected</li> <li>3. Thank you, we have added this in the paper</li> <li>4. Thank you, this has been amended</li> <li>5. Thank you, we have added this in the paper</li> <li>6. Thank you, we have added this in the paper</li> <li>7. Thank you, we have added this in the paper</li> <li>8. Thank you, we have amended all 3 points in the paper</li> </ol>



Dept./Office	Comments	Actions Taken
	<ul style="list-style-type: none"> <li>a. Under the Outcome indicator, please amend to “at least four of them EGM category”.</li> <li>b. Please use consistent language for outputs and key activity headings as in para 13.</li> <li>c. Outputs 1 &amp; 2: please clarify what is meant ‘EGM potential’ - we presume it is ‘indicative EGM category’ and ‘at least 8 of them indicative EGM category’</li> </ul>	
<b>SDCC/SDCD</b> Esmyra Javier, Senior Climate Change Officer	Climate risk is supposed to be low and not high as tagged in the draft concept paper.	Thank and noted, this has been amended in the paper
<b>SDCC/SDPF</b> Michelle Tumilba, Senior Financing Partnerships Officer	<p>Thank you for sending the draft paper for SDPF review. Kindly note that we are yet to receive the SCF Letter of Commitment for the PPCR funding. We advise to kindly wait for the LOC prior to submission of the TA paper for approval.</p> <p>We also have the following minor comments on the draft concept paper:</p> <ul style="list-style-type: none"> <li>• Para. 1. “The scope is consistent with the concept note ADB submitted to the CIF’s Strategic Climate Fund’s –Pilot Program for Climate Resilience (PPCR) subcommittee <sup>2</sup>  <sup>2</sup>Funded through the <del>Climate Investment Funds</del> Strategic Climate Fund’s Pilot Program for Climate Resilience, approve in concept via email 02 July 2020.</li> <li>• Missing para. no. 2 or perhaps just a missed number?</li> <li>• Para. 15. "The proposed TA budget is estimated to cost \$450,000, which will be financed on a grant basis by <del>CIF’s PPCR</del> the Strategic Climate Fund<sup>29</sup> and administered by ADB.  <sup>29</sup>Under the Pilot Program for Climate Resilience.</li> <li>• Appendix 1-Inputs. <del>Climate Investment Funds</del> Strategic Climate Fund: \$450,000</li> </ul> <p>Kindly refer to the  <a href="#">Citation Guidelines</a> when drafting the TA Paper.</p>	<p>Thank you for your review and comments. Per our understanding the SCF Letter of Commitment is required only before endorsement of the KSTA report. We have been advised that an endorsed KSTA concept paper is required to secure funding approval.</p> <p>Thank you, this has been amended in the paper</p> <p>Thank you, paragraph numbering error has been corrected.            Thank you, this has been amended in the paper</p> <p>Thank you, this has been amended in the paper</p>
<b>SDCC/SDCC-KC</b>	Thank you for the opportunity to review the captioned draft KSTA concept paper. Vivek Raman, SDCC-KC, reviewed and has no comment.	Thank you

Dept./Office	Comments	Actions Taken
Vivec Raman, Senior Operations Coordination Specialist (Innovation and Knowledge)		
<b>CTL/CTL-LGD</b> Januar Laude, Sr. Financial Control Specialist	<p>Thank you for requesting our review and comment.</p> <p>Since the risk categorization is low, CTL will not provide comments. Per para. 12(iii) of Staff Instruction on business process for KSTA, CTL review on a draft concept paper would only be required if the proposed risk category is complex.</p> <p>Please circulate the related TA Report for our review once the draft copy is available.</p>	Thank you
<b>OGC</b> Mary Greenhow, Assigned Counsel	<p>I don't believe OGC's comments are actually required since the concept paper has low risk – see para 12 (iii) SI for KSTA. However:</p> <ol style="list-style-type: none"> <li>1. The Project at a glance refers to Strategic Climate Fund – PPCR as the financing source, while the body of the document refers to the “Climate Investment Fund” and “ CIF’s PPCR”. Not immediately apparent it is the same entity.</li> <li>2. Paras 10 and 12 indicate that there will be one consultant engaged on a full -time basis for 3 years. However, it seems from para 16 there will be consultants engaged for different tasks. Assume there will be one consultant (as per para 12) and additional consultants (as and when required). If that’s correct, the wording could be clarified.</li> <li>3. As per Output 3, 80% of the TA will be used for preparing funding applications, <u>project structuring and processing</u>. Is project structuring/ processing within a KSTA?</li> <li>4. A couple of typos – “ADP” in para 3(i) and “no pilot testing or a projects approach” (should be "of a project approach") in para 17 .</li> </ol>	<p>Thank you for your time to review the report. It is much appreciated.</p> <ol style="list-style-type: none"> <li>1. Thank you, this has been amended in the report</li> <li>2. Thank you, this has been amended in the report</li> <li>3. Thank you, this is a useful observation. We do believe it is within the KSTA.</li> <li>4. Thank you, this has been amended in the report</li> </ol>