

TITLE V

# Asian Development Fund

Minimum Requirement F.Y. 2022

**\$89.99 million**

Contribution \$47.4 million  
Arrears Payment \$42.59 million

F.Y. 2021 Enacted

**\$47.4 million**

Every \$1 in U.S. contributions to AsDF-12 leveraged almost \$20 in contributions from other donors and internally generated resources.

## DESCRIPTION

The Asian Development Bank (AsDB) is composed of 68 member countries, 49 of which are from the Asia-Pacific region. The Asian Development Fund (AsDF) provides grants to the AsDB's 15 lower-income developing member countries to promote poverty reduction and quality of life improvements.

## WHAT DOES IT BUY?

The AsDB provides grants to support development projects and programs, including infrastructure, policy support and reform, production capacity, human development, environmentally sustainable investments, good governance, capacity building, and regional cooperation. Developing member countries eligible for grants include those lower-income, with a moderate or high risk of debt distress, and small island economies. Funds will go toward the first installment for AsDF's 12th Replenishment (AsDF-13), which runs from 2021-2024.

## WHY IS IT IMPORTANT?

- Priority areas for AsDF include gender equity; food security; private sector development; governance; preparedness and response to climate change and disasters; and regional public goods such as cross-border health issues.
- From 2017 to 2019, the **AsDF**:
  - » Built or upgraded more than 600 miles of road.
  - » Strengthened climate and disaster resilience for 1.7 million people.
  - » Connected 278,000 households with new and improved water supplies.
  - » Supported 930,000 students with new or improved educational facilities.
  - » Provided microfinance accounts to more than **2 million people**, over three-fourths of whom were women.
- **Every \$1** contribution from the U.S. leverages almost \$20 in new donor contributions and internally-generated resources.

- In 2019, **every \$1** of AsDB's committed financing was matched by \$1.50 in long-term co-financing.
- In 2019, AsDB committed a total of **\$33.74 billion** in loans, grants, and official and commercial co-financing to support developing member countries.
- The bank provided **\$4.49 billion** in concessional assistance and \$17.15 billion in loans, equity investments, and guarantees. The remaining \$11.86 billion was provided through co-financing and trust funds.

## WHY SHOULD AMERICANS CARE?

- The AsDF supports regional cooperation and integration, expanding markets for U.S. exports and investment.
- The AsDF provides grants to improve cross-border connectivity, modernize customs administrations, and boost trade.

## COVID-19 IMPACTS

- The potential economic impacts of COVID-19 on Asia and the Pacific was estimated at **\$2.5 trillion** (9.3% of regional GDP) under a six-month containment scenario, which has already been surpassed.
- The AsDB responded quickly to COVID-19, mobilizing **\$20 billion** to help its developing member countries respond to the virus and address the urgent needs of the sick, the poor, and the vulnerable.
- AsDB is supporting a variety of COVID-19 projects across its member countries. For instance, AsDB approved a **\$40 million** emergency assistance grant to Afghanistan to construct hospitals and medical facilities, provide essential medicines and medical equipment, and increase the capacity of frontline workers.
- In Mongolia, AsDB approved **\$400 million** to help manage the risks of food insecurity, heightened due to the impacts of the virus on the food supply chain.

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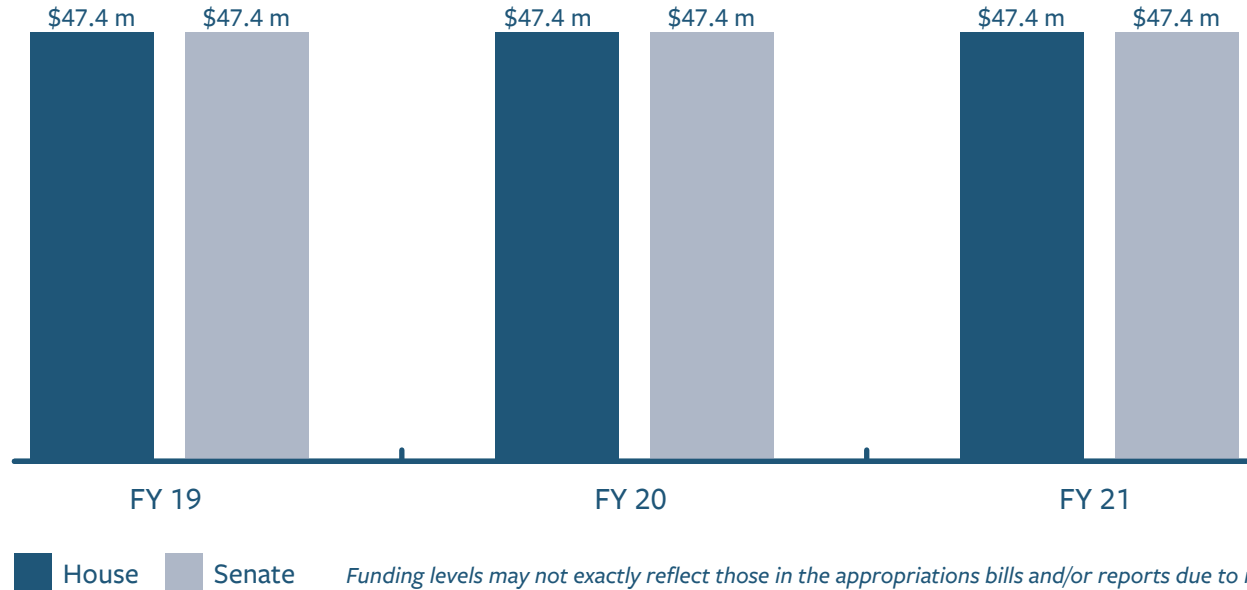
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## WHAT MORE COULD BE DONE?

- The U.S. has **\$284 million** in unmet commitments to the AsDF and the Multilateral Debt Relief Initiative (MDRI), which adversely affects beneficiaries and U.S. leadership at the institution.
- Repaying the U.S.'s prior commitments increase the number or size of grants available to developing member countries.
- AsDF rules allow other donors to withhold their pledged contributions proportionally based on U.S. unmet commitments.

## FUNDING HISTORY



Funding levels may not exactly reflect those in the appropriations bills and/or reports due to rounding