

ASIAN DEVELOPMENT BANK MEMBER FACT SHEET



Tuvalu: 2020 Loans, Grants, Equity Investments, Technical Assistance, and Trade and Supply Chain Finance and Microfinance Program Commitments (\$ million)^a

Product Type	Sovereign	Nonsovereign	Total
Grants	9.00	–	9.00
Technical Assistance ^b	4.26	0.15	4.41
Total	13.26	0.15	13.41

– = nil, DMC = developing member country, TA = technical assistance.

Notes:

Commitment is the financing approved by ADB's Board of Directors or Management for which the legal agreement has been signed by the borrower, recipient, or the investee company and ADB.

Grants and TA include ADB-administered cofinancing.

^a Numbers may not sum precisely because of rounding.

^b Financing for TA projects with regional coverage is distributed to their specific DMCs where breakdown is available.

Tuvalu: Cumulative Loans, Grants, Equity Investments, Technical Assistance, and Trade and Supply Chain Finance and Microfinance Program Commitments^{a,b,c,d}

Sector	No.	Total Amount (\$ million) ^a	% of Total Amount ^a	COVID-19 Response (\$ million) ^e
Agriculture, Natural Resources, and Rural Development	1	0.10	0.12	–
Education	5	4.58	5.57	–
Energy	1	6.67	8.11	–
Finance	1	0.39	0.47	–
Health	3	4.67	5.68	2.17
Industry and Trade	–	0.07	0.08	–
Information and Communication Technology	–	0.08	0.10	–
Multisector	–	0.40	0.48	–
Public Sector Management	19	29.93	36.39	4.38
Transport	9	30.75	37.39	–
Water and Other Urban Infrastructure and Services	3	4.61	5.61	0.10
Total	42	82.24	100.00	6.65

– = nil, COVID-19 = coronavirus disease, DMC = developing member country, TA = technical assistance.

^a Grants and TA include ADB-administered cofinancing.

^b Includes sovereign and nonsovereign loans and technical assistance.

^c Using primary sector in reporting of commitments.

^d Financing for TA projects with regional coverage is distributed to their specific DMCs where breakdown is available.

^e Numbers may not sum precisely because of rounding.

To help the Tuvalu overcome the impacts of the COVID-19 pandemic, ADB's assistance will focus on improving outer-island port facilities, building disaster resilience, promoting renewable energy sources, and sustaining good fiscal management.

TUVALU

Tuvalu is a small island developing state comprising nine atolls in the South Pacific. It is geographically isolated and highly vulnerable to climatic and economic shocks. With a small private sector and limited resources to support socioeconomic development, the public sector is its main driver of growth.

Tuvalu depends on fishing license fees, trust fund investments, official development assistance, and remittances for foreign currency earnings. Disasters triggered by natural hazards, such as cyclones and king tides, increase the country's economic volatility and can substantially alter fiscal outcomes.

Tuvalu has been a member of the Asian Development Bank (ADB) since 1993. ADB's assistance has concentrated on improving macroeconomic growth and stability, advancing renewable energy, upgrading transport assets, expanding health coverage, and building disaster resilience.

Since 1993, ADB has committed loans totaling \$7.9 million, grants of \$60.8 million, technical assistance worth \$10.7 million, and ADB-administered cofinancing of \$2.8 million

for Tuvalu. Cumulative loan and grant disbursements to Tuvalu amount to \$36.3 million. These were financed by concessional ordinary capital resources and the Asian Development Fund.

ADB-SUPPORTED PROJECTS AND PROGRAMS

In 2020, ADB provided \$1 million in emergency grant financing from the [Asian Pacific Disaster Response Fund](#) and a \$208,000 technical assistance grant [to help Tuvalu procure medical supplies and equipment to protect the population against coronavirus disease \(COVID-19\)](#). The bank is also helping expand coverage of [new vaccines in the Pacific](#), including a grant of \$2.5 million for Tuvalu under a regional project, along with planned additional financing to procure and distribute COVID-19 vaccines.



The [Pacific Disaster Resilience Program](#) provides Tuvalu with a predictable source of post-disaster financing. The Government of Tuvalu was able to [quickly access \\$3 million in January 2020 in the aftermath of Cyclone Tino](#). The program, replenished in November 2020, allows for a further \$4 million grant to respond to future disasters triggered by natural hazards and to health emergencies.

To improve the safety, efficiency, and sustainability of maritime transport between the capital, Funafuti, and the outer islands, ADB has committed \$48.7 million in grant financing since 2016 for the [Outer Island Maritime Infrastructure Project](#). The construction of workboat harbors in Nukulaelae, Niutao, and Nui is under way.

The bank, in March 2020, committed a grant of \$6 million for the [Increasing Access to Renewable Energy Project](#) under the [Pacific Renewable Energy Investment Facility](#). The project, ADB's first in Tuvalu's energy sector, will help transform the power systems in the capital, Funafuti, and on the outer islands.

In August 2020, ADB committed a project readiness financing grant of \$4 million to ensure timely and cost-effective project outcomes for the ensuing [Funafuti Water and Sanitation Project](#), which aims to increase access to safe water and improve sanitation

to reduce the incidence of waterborne disease in the capital.

Since 2008, ADB, in collaboration with other development partners, has engaged with the government to strengthen public service delivery and improve public financial management. Progress made in these areas has triggered over \$11 million in general budget support from ADB. The bank has also provided [technical assistance to support analytical work, capacity building, and implementation of policy reforms](#).

In other technical assistance to Tuvalu, ADB has supported improvements to governance, education, and capacity development. The country has also benefited from regional technical assistance in economic management, audit capacity, private sector development, infrastructure planning, climate change, and country safeguards.

NONSOVEREIGN OPERATIONS

As a catalyst for private investments, ADB provides financial assistance to nonsovereign projects and financial intermediaries. Total commitments in loans and equity investments from ADB's own funds in 2020 amounted to \$1.4 billion for 38 transactions in economic and social infrastructure, finance sector, and agribusiness. ADB also actively mobilizes cofinancing from commercial and concessional sources. In 2020, ADB

mobilized \$1.9 billion of long-term project cofinancing and \$3.3 billion of cofinancing through its [Trade and Supply Chain Finance Program](#) and [Microfinance Program](#). Total outstanding balances and commitments of nonsovereign transactions funded by ADB's own resources stood at \$14.3 billion as of 31 December 2020.

PARTNERSHIPS

ADB is collaborating with the governments of Australia and New Zealand, the European Union, and the World Bank on policy dialogue backed by budget support for Tuvalu. It also liaises closely with the International Monetary Fund and the Pacific Financial Technical Assistance Centre, and is an observer at the biannual meetings of the Tuvalu Trust Fund Board.

ADB's [Pacific Private Sector Development Initiative](#), cofinanced by the governments of Australia and New Zealand, has been active in Tuvalu since 2008. This regional initiative works to reduce constraints to doing business, incentivize entrepreneurship and investment, foster new business models, and remove barriers to women's full participation in the economy.

ADB also supports Tuvalu through the [Pacific Region Infrastructure Facility](#), which provides technical advice on infrastructure development and sustainable infrastructure management

Tuvalu: Evaluation Results for Sovereign and Nonsovereign Operations, 2011–2020

	Total Number of Validated and Evaluated Projects and Programs	Evaluation Ratings		
		Highly successful and successful	Less than successful	Unsuccessful
Sovereign Operations	4	3	1	–
Nonsovereign Operations	–	–	–	–

– = nil, IED = Independent Evaluation Department.

Note: The figures indicate the number of sovereign and nonsovereign operations in the country that have been validated or evaluated by the IED and their overall performance ratings. The coverage consists of all validated or evaluated project completion reports and extended annual review reports circulated by ADB within the 10-year period from 1 July 2010 to 30 June 2020. See [evaluations](#) related to Tuvalu.

Source: IED success rate database (as of 31 December 2020).

Tuvalu: Portfolio Performance Quality Indicators for Sovereign Lending and Grants, 2019–2020

	No. of Ongoing Loans ^a (as of 31 Dec 2020)		
	2019 (\$ million)	2020 (\$ million)	
Contract Awards ^{b,c}	–	–	
Disbursements ^b	–	–	
No. of Ongoing Grants ^{a,d} (as of 31 Dec 2020)			
		2019 (\$ million)	2020 (\$ million)
Contract Awards ^{b,c,d}	1.20	14.62	
Disbursements ^{b,d}	7.81	7.19	
At Risk Projects (%) (as of 31 Dec 2020)			33

– = nil.

^a Based on commitments.

^b Includes closed loans/grants that had contract awards or disbursements during the year.

^c Excludes policy-based, results-based, and financial intermediation/credit loans and grants.

^d Includes only Asian Development Fund and other ADB special funds.

Tuvalu: Projects Cofinanced, 1 January 2016–31 December 2020

Cofinancing	No. of Projects	Amount (\$ million)
Sovereign	3	11.32
Grants	2	11.10
Technical Assistance	1	0.22

Tuvalu: Share of Procurement Contracts for Loan, Grant, and Technical Assistance Projects

Item	2019		2020		Cumulative (as of 31 Dec 2020)	
	Amount (\$ million)	% of Total	Amount (\$ million)	% of Total	Amount (\$ million)	% of Total
Goods, Works, and Related Services	4.00	0.03	3.08	0.01	19.36	0.01
Consulting Services	0.27	0.04	0.13	0.02	0.86	0.01
Total Procurement	4.27	0.03	3.21	0.01	20.22	0.01

-- = nil.

Top 5 Contractors/Suppliers from Tuvalu Involved in Goods, Works, and Related Services Contracts under ADB Loan and Grant Projects, 1 January 2016–31 December 2020

Contractor/Supplier	Contract Amount (\$ million)
Others	7.08
Total	7.08

Top 5 Consultants from Tuvalu Involved in Consulting Services Contracts under ADB Loan, Grant, and Technical Assistance Projects, 1 January 2016–31 December 2020

Consultant	Contract Amount (\$ million)
Individual Consultants	0.73
Total	0.73

and enhances the coordination of development partner investments in the Pacific.

FINANCING PARTNERSHIPS

Financing partnerships enable ADB's financing partners, governments or their agencies, multilateral financing institutions, and commercial organizations to participate in financing ADB projects. The additional funds are provided in the form of loans and grants, technical assistance, and other nonsovereign cofinancing such as B loans, risk transfer arrangements, parallel loans and equity, guarantee cofinancing, and cofinancing for transactions under ADB's Trade and Supply Chain Finance Program and Microfinance Program.

ADB began cofinancing operations in Tuvalu in 2008. Since then, sovereign cofinancing commitments for Tuvalu have amounted to \$14.1 million for three investment projects and \$0.76 million for three technical assistance projects.

A summary of projects with cofinancing from 1 January 2016 to 31 December 2020 is available at www.adb.org/offices/south-pacific/cofinancing#tuvalu.

PROCUREMENT

Each year, ADB provides loans, grants, and technical assistance to fund projects and activities in its developing member countries and several billion dollars in contracts to procure goods, works, and consulting services. Most contracts are awarded on the basis of international competition, which is open to firms and individuals from all ADB members.

Share of ADB's Procurement Contracts

Goods, Works, and Related Services

ADB's procurement contracts in Asia and the Pacific for goods, works, and related services under loan and grant operations totaled \$14.19 billion in 2019 and \$22.79 billion in 2020. Cumulative procurement since 1966 has been \$216.35 billion covering 222,415 contracts.

For contractors and suppliers from Tuvalu, 12 contracts worth \$19.36 million have been awarded since 1993.

Consulting Services

ADB's procurement contracts in Asia and the Pacific for consulting services under loan, grant, and technical assistance operations totaled \$756.72 million in 2019 and \$732.11 million in 2020. Cumulative procurement since 1966 has been \$14.13 billion covering 67,086 contracts.

For consultants from Tuvalu, 21 contracts worth \$0.86 million have been awarded since 1993.

OPERATIONAL CHALLENGES

The performance of the ADB portfolio in Tuvalu can be hampered by limitations in the country's policy development, program and project design and implementation, and management capacity. Improvements to fiscal management, including compliance with public procurement regulations, accounting practices, monitoring and reporting, and management of infrastructure investments remain to be the key challenges to sound public financial management and operational effectiveness. The government's Public Financial Management Roadmap for

2020–2024 is guiding government and development partner efforts to address weaknesses and enhance coordination and implementation of critical reforms. Given the limited pool of local expertise, ADB and development partners continue to fill capacity gaps using international sources.

FUTURE DIRECTIONS

ADB assistance to Tuvalu focuses on improving outer island port facilities, building disaster resilience, promoting renewable energy sources, extending immunization coverage including COVID-19 related assistance, and sustaining good fiscal management. This operational focus aligns with the vision of Tuvalu's National Strategy for Sustainable Development (*Te Kete*), 2021–2030, and the Tuvalu Infrastructure Strategy and Investment Plan 2016–2025.

Well-focused technical assistance, aimed mainly at building capacity and strengthening governance, will remain an integral part of ADB support to Tuvalu. Where appropriate, ADB will include Tuvalu in new regional technical assistance activities in line with the regional operations business plan for the Pacific, 2021–2023. Regional approaches to energy efficiency, climate change, and economic infrastructure will be explored. Support for infrastructure planning will be provided by the ADB-administered Pacific Region Infrastructure Facility and support for improving business environments provided through the ADB-administered Private Sector Development Initiative.



ABOUT TUVALU AND ADB

ADB Membership

Joined 1993

Shareholding and Voting Power

Number of shares held:	150 (0.001% of total shares)
Votes:	39,264 (0.295% of total membership, 0.453% of total regional membership)

*Overall capital subscription: \$2.16 million

*Paid-in capital subscription: \$0.12 million

*United States dollar figures are valued at rate as of 31 December 2020.

Seve Paeniu is the Governor and **Niutui Niutui** is the Alternate Governor for Tuvalu in ADB.

Tony McDonald is the Director and **David Cavanaugh** is the Alternate Director representing Tuvalu on the ADB Board of Directors.

Masayuki Tachiiri is the ADB Regional Director of the Pacific Subregional Office (SPSO) in Suva, Fiji. SPSO opened in 2004 and provides the primary operational link for activities between ADB and the governments of the subregion, the private sector, civil society stakeholders, and development partners. SPSO engages in policy dialogue, country partnership strategy development and programming, portfolio management, and knowledge-based solutions for the Cook Islands, Fiji, Kiribati, Niue, Samoa, Tonga, and Tuvalu.

In 2019, ADB approved the establishment of a country office in Tuvalu. The office strengthens the bank's presence in the country, working to enhance the relationship between ADB and the government, improve development partner coordination, and help build local capacity in the design and implementation of ADB-supported projects.

The Tuvalu government agency handling ADB affairs is the Ministry of Finance.

ABOUT THE ASIAN DEVELOPMENT BANK

ADB is a multilateral development bank owned by 68 members, 49 from Asia and the Pacific and 19 from other parts of the world. ADB's main instruments for helping its developing member countries are policy dialogue, loans, equity investments, guarantees, grants, and technical assistance. In 2020, lending volume was \$26.9 billion (149 projects), with technical assistance at \$293.56 million (275 projects) and grant-financed projects at \$1.08 billion (62 projects). In addition, \$16.41 billion was generated for sovereign and nonsovereign cofinancing in the form of loans and grants, B loans, risk transfer arrangements, guarantee cofinancing, parallel loans, parallel equity, and cofinancing for transactions under ADB's Trade and Supply Chain Finance Program and Microfinance Program. From 1 January 2016 to 31 December 2020, ADB's annual lending volume averaged \$19.69 billion. In addition, investment grants and technical assistance funded by ADB and Special Funds resources averaged \$805.5 million and \$230.81 million respectively over the same period. As of 31 December 2020, the cumulative commitments excluding cofinancing were \$323.17 billion in loans for 3,369 projects in 44 countries, \$11.3 billion in 495 grants, and \$5.01 billion in technical assistance grants, including regional technical assistance grants.

Notes:

Figures are estimated by ADB unless otherwise stated. "\$" refers to United States dollars. Data are updated as of 31 December 2020 unless otherwise indicated.

CONTACTS

Tuvalu Pacific Country Office

Partnership House
Vaiaku, Funafuti, Tuvalu
Tel: +688 20610

Pacific Subregional Office

Level 5, Ra Marama Building
91 Gordon Street
Suva, Fiji
Tel: +679 331 8101
Fax: +679 331 8074
adbpsps@adb.org
www.adb.org/tuvalu

ADB Headquarters

6 ADB Avenue, Mandaluyong City
1550 Metro Manila, Philippines
Tel: +63 2 8632 4444
Fax: +63 2 8636 2444

Ministry of Finance

Private Mail Bag, Funafuti, Tuvalu
Tel: +688 20202 (dir)
Fax: +688 20210

Useful ADB websites

Asian Development Bank
www.adb.org

Annual Report
www.adb.org/documents/series/adb-annual-reports

Asian Development Outlook
www.adb.org/publications/series/asian-development-outlook

ADB Data Library
data.adb.org