

ASIAN DEVELOPMENT BANK MEMBER FACT SHEET

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

| Product Type | Sovereign | Nonsovereign | Total |
|-----------------------------------|--------------|--------------|--------------|
| Loans | 30.79 | – | 30.79 |
| Grants | 1.00 | – | 1.00 |
| Technical Assistance ^b | 5.79 | 0.16 | 5.95 |
| Total | 37.58 | 0.16 | 37.74 |

– = 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.

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

| Sector | Total No. | Total Amount (\$ million) ^e | % of Total Amount ^e | COVID-19 Response (\$ million) ^e |
|---|--------------|--|--------------------------------------|---|
| Agriculture, Natural Resources, and Rural Development | 6 | 2.34 | 1.36 | – |
| Education | 3 | 3.40 | 1.98 | – |
| Energy | 6 | 34.46 | 20.05 | – |
| Finance | 7 | 7.26 | 4.22 | 0.50 |
| Health | 1 | 1.88 | 1.09 | 1.88 |
| Industry and Trade | 1 | 0.35 | 0.21 | – |
| Information and Communication Technology | 1 | 15.08 | 8.78 | – |
| Multisector | 10 | 19.65 | 11.44 | – |
| Public Sector Management | 16 | 57.93 | 33.71 | 31.42 |
| Transport | 7 | 25.52 | 14.85 | – |
| Water and Other Urban Infrastructure and Services | 4 | 3.97 | 2.31 | 0.05 |
| Total | 62 | 171.83 | 100.00 | 33.85 |

– = 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.

Well-focused technical assistance, aimed mainly at building capacity and strengthening governance, will remain an integral part of ADB support to the Cook Islands.

COOK ISLANDS

Consisting of 15 small islands scattered over 1.8 million square kilometers, the Cook Islands has an economy driven largely by tourism and public infrastructure spending. Its nationals have open access to work and reside in Australia and New Zealand.

The country is highly vulnerable to climatic and economic shocks, while emigration patterns are leading to a declining population and shortages of skilled workers. The coronavirus disease (COVID-19) pandemic and associated travel restrictions led to a plunge in gross domestic product in 2020, impacting employment and therefore household and government incomes.

The Cook Islands joined the Asian Development Bank (ADB) in 1976. ADB's assistance has since helped increase electricity generation from renewable energy sources, improve internet connectivity, and strengthen resilience to natural disasters. The bank is also supporting the country's COVID-19 response and recovery programs.

Since 1976, ADB has committed loans totaling \$128.4 million, grants of \$1.8 million, technical assistance worth \$15.4 million, and ADB-administered cofinancing of \$26.2 million for the Cook Islands. Cumulative loan and grant disbursements to Cook Islands amount to \$116.6 million. These were financed by regular and concessional ordinary capital resources, and other special funds.

ADB-SUPPORTED PROJECTS AND PROGRAMS

ADB is supporting the Cook Islands on various initiatives to respond to the COVID-19 crisis, support economic recovery, and promote private sector investment.



ADB's [COVID-19 Emergency Response Project](#) is helping the country mobilize resources to support its health response, including the procurement of personal protective equipment and medical supplies. The bank also provided \$20 million (NZ\$30.4 million) in budget support to assist the Government of the Cook Islands' programs to sustain employment and livelihoods.

Through the [Improving Internet Connectivity for the South Pacific Project](#), ADB helped to install a 3,600-kilometer submarine fiber-optic cable for the Cook Islands, French Polynesia, Niue, and Samoa. The \$15 million committed by ADB, along with grant support from the Government of New Zealand, is bringing faster and more affordable internet access to the country. The Manatua cable landed on the Cook Islands capital, Rarotonga, in January 2020 and came online in July 2020.

ADB has provided \$11.2 million to construct [solar power plants on the southern islands](#), scheduled for completion in 2021, and develop institutional capacity to implement the Cook Islands Renewable Energy Chart Implementation Plan. Solar power plants in Atiu, Mangaia, and Mitiaro were commissioned in 2018, with expansion of the project supported by \$4.3 million

from the Global Environment Facility and \$7.3 million from the European Union. The Green Climate Fund has endorsed ADB's [Pacific Islands Renewable Energy Investment Program](#), committing a \$12 million grant to install energy storage systems (with a preliminary capacity of 3 megawatts) in Rarotonga and support private sector investment in renewable energy.

The Cook Islands is prone to regular extreme weather events, particularly tropical cyclones. In 2020, ADB disbursed \$10.1 million in policy-based loans under phase 2 of the program to fund the country's [disaster resilience program](#). Also, in 2020, ADB approved a third phase of financing for the program, available from January 2021, with contingent disaster financing increased to \$20 million. The program makes financing available in the event of a disaster and strengthens policy processes and institutional arrangements for disaster risk management.

ADB technical assistance has supported the Cook Islands in infrastructure sustainability, asset management, public sector management, private sector development, broadening of financial services, promotion of renewable energy and energy efficiency, climate change safeguards, and capacity development.

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 liaises closely with development partners—notably the Government of New Zealand and the United Nations—to deliver effective programs in the Cook Islands. The country is not a member of the International Monetary Fund or the World Bank.

Cook Islands: 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 | 3 | 2 | 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 Cook Islands.

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

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

| | 2019 (\$ million) | | 2020 (\$ million) | |
|---|-------------------|-------------------|-------------------|-------------------|
| | 2019 (\$ million) | 2020 (\$ million) | 2019 (\$ million) | 2020 (\$ million) |
| No. of Ongoing Loans ^a (as of 31 Dec 2020) | | | | 3 |
| Contract Awards ^{b, c} | 12.87 | – | | |
| Disbursements ^b | 4.92 | 39.62 | | |
| No. of Ongoing Grants ^{a, d} (as of 31 Dec 2020) | | | | 1 |
| Contract Awards ^{b, c, d} | – | – | | |
| Disbursements ^{b, d} | – | 1.00 | | |
| At Risk Projects (%) (as of 31 Dec 2020) | | | | – |

– = 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.

Cook Islands: Projects Cofinanced, 1 January 2016–31 December 2020

| Cofinancing | No. of Projects | Amount (\$ million) |
|------------------------|-----------------|---------------------|
| Sovereign ^a | 3 | 56.16 |
| Loans | 1 | 20.00 |
| Grants | 3 | 36.16 |

^a A project with more than one source of cofinancing is counted once.

Cook Islands: 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 | - | - | 10.07 | 0.04 | 39.71 | 0.02 |
| Consulting Services | - | - | 0.28 | 0.04 | 2.53 | 0.02 |
| Total Procurement | - | - | 10.34 | 0.04 | 42.23 | 0.02 |

- = nil.

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

| Contractor/Supplier | Sector | Contract Amount (\$ million) |
|---------------------|--------|---------------------------------|
| Others | | 10.07 |
| Total | | 10.07 |

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

| Consultant | Sector | Contract Amount (\$ million) |
|------------------------|--------|---------------------------------|
| Romani Design Ltd. | ENE | 0.25 |
| Individual Consultants | | 0.02 |
| Total | | 0.28 |

ENE = energy.

ADB participates in strategic planning meetings for the Cook Islands 2020+ development agenda, including meetings to plan the safe opening of the country's borders to New Zealand.

ADB's Pacific Private Sector Development Initiative, cofinanced by the governments of Australia and New Zealand, has been active in the Cook Islands 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 the Cook Islands through the Pacific Region Infrastructure Facility, which provides technical advice on infrastructure development and sustainable infrastructure management 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 the Cook Islands in 2007. Since then, sovereign cofinancing commitments for the Cook Islands have amounted to \$63.42 million for three investment projects, and \$1 million for three technical assistance projects.

In 2020, Cook Islands received \$20 million loan cofinancing from the Asian Infrastructure Investment Bank and \$9.9 million grant cofinancing from the Government of New Zealand for the COVID-19 Active Response and Economic Support Program.

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

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 the Cook Islands, 139 contracts worth \$39.71 million have been awarded since 1976.

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 the Cook Islands, 46 contracts worth \$2.53 million have been awarded since 1976.

OPERATIONAL CHALLENGES

The ease with which Cook Islands residents can relocate to New Zealand or Australia hastens staff turnover in critical positions, drains national skills, and increases the cost of capacity building.

The Cook Islands needs to upgrade infrastructure to meet tourism needs and ensure environmental sustainability, and these needs have been prioritized over the next 10 years through its National Infrastructure Investment Plan.

Because the country is not a member of the International Monetary Fund, the government and its development partners do not benefit from the fund's macroeconomic monitoring. ADB will continue to provide macroeconomic surveillance, assessments, and policy advice, and support the government's efforts to improve its medium-term fiscal outlook.

FUTURE DIRECTIONS

ADB assistance to the Cook Islands focuses on building economic resilience. Investments across health preparedness, economic management, renewable energy generation, internet connectivity, transport infrastructure,

and strengthening disaster resilience will support this goal. This operational focus aligns with the government's Economic Development Strategy.

Well-focused technical assistance, aimed mainly at building capacity and strengthening governance, will remain

an integral part of ADB support to the Cook Islands. The bank will consider supporting the country's transport (particularly aviation) and water and sanitation sectors. ADB will also explore non-traditional investment sectors, where its private sector operations can have a significant impact.

ABOUT THE COOK ISLANDS AND ADB

ADB Membership

Joined 1976

Shareholding and Voting Power

Number of shares held: 282 (0.003% of total shares)
Votes: 39,396 (0.296% of total membership,
0.455% of total regional membership)

*Overall capital subscription: \$4.06 million

*Paid-in capital subscription: \$0.2 million

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

Mark Brown is the Governor and **Garth Henderson** is the Alternate Governor for the Cook Islands in ADB.

Syurkani Ishak Kasim is the Director and **Karen Murray** is the Alternate Director representing the Cook Islands 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 2020, ADB opened a country office in Cook Islands. 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 build local capacity in the design and implementation of ADB-supported projects.

The Cook Islands government agency handling ADB affairs is the Ministry of Finance and Economic Management.

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.

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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

Notes:

Photo by Avaroa Cable Ltd.

Figures are estimated by ADB unless otherwise stated. "\$" refers to United States dollars.

Data are updated as of 31 December 2020 unless otherwise indicated.