

Pakistan : Pakistan – Building Resilience with Countercyclical Expenditures (BRACE) Program

1. Project Information

Project ID:	P000704	Instrument ID:	L0704A
Member:	Pakistan	Region:	Southern Asia
Sector:	CRF-Economic Resilience/PBF	Sub-sector:	N/A
Instrument type:	<input checked="" type="checkbox"/> Loan:500.00 US Dollar million <input type="checkbox"/> Guarantee	Lead Co-financier (s):	Asian Development Bank
ES category:	Not applicable	Borrowing Entity:	Ministry of Finance, Pakistan
Implementing Entity:	Ministry of Finance, Pakistan		
Project Team Leader:	Ghufran Shafi		
Responsible DG:	Gregory Liu		
Responsible Department:	INF2		
Project Team Members:	Susrutha Goonasekera, OSD - Environment & Social Development Specialist; Rizal Rivai, OSD - Procurement Specialist; Yogesh Malla, OSD - Financial Management Specialist; Liu Yang, Project Counsel; Christopher Damandl, Alternate Counsel; Bilal Muhammad Khan, Economist; Yanyang Shi, Project admin		
Completed Site Visits by AIIB:			
Planned Site Visits by AIIB:			
Current Red Flags Assigned:	0		
Current Monitoring Regime:	Regular Monitoring		
Previous Red Flags Assigned:			
Previous Red Flags Assigned Date:			

2. Project Summary and Objectives

BRACE is supported under the COVID-19 Crisis Recovery Facility (the Facility) of the Bank and co-financed with Asian Development Bank (ADB) as countercyclical assistance for prioritized expenditures under the ADB's Countercyclical Support Facility. The Program constitutes one element of Pakistan's response to and recovery from the combined adverse impacts of COVID 19 pandemic, conflict and flood disaster, focusing on economic revitalization and crucial health and social sector spending. The Program is financing expenditure for strengthening social safety net and fiscal measures to support government's response to deal with the triple crises. Specifically, it will support measures for (i) Social Protection, (ii) Food Security, and (iii) Support for Businesses.

3. Key Dates

Approval:	Nov. 09, 2022	Signing:	Nov. 10, 2022
Effective:	Nov. 21, 2022	Restructured (if any):	
Orig. Closing:	Dec. 31, 2023	Rev. Closing (if any):	

4. Disbursement Summary (USD million)

Contract Awarded:		Cancellation (if any):	0.00
Disbursed:	500.00	Most recent disbursement (amount/date):	498,750,000.00/Nov. 28, 2022
Undisbursed:	0.00	Disbursement Ratio (%) ¹ :	100.00

5. Project Implementation Update

The Program is supported under the COVID-19 Crisis Recovery Facility and providing critical counter-cyclical expenditures to help Pakistan deal with multiple crisis. The Program promotes sound macroeconomic management and support deployment of countercyclical development expenditures to deal with combined adverse impacts of lingering COVID-19 pandemic, regional conflict and climate-induced flood disaster. The loan was made effective on Nov. 21, 2022 and full disbursed on Nov. 28, 2022. Borrower will share details about funds utilization through its periodic monitoring reports.

Components	Physical Progress	Environmental & Social Compliance	Procurement
\$500.00 To support countercyclical expenditures	The Program does not track physical progress. However, results agreed with the Borrower will be measured and details will be shared during periodic monitoring	C	N/A

Financial Management:

N/A

6. Status of the Grievance Redress Mechanism (GRM)

Since ADB's SPS will apply to this Program, and pursuant to AIIB's agreement with the ADB, AIIB will rely on the ADB's Independent Accountability Mechanism (IAM) to handle complaints relating to ES issues that may arise under the Program. Consequently, in accordance with AIIB's Policy on the Project-affected People's Mechanism (PPM), submissions to the PPM under this Program will not be eligible for consideration by the PPM. ADB's IAM addresses issues raised by persons adversely affected by an ADB-assisted project and allows them to report alleged noncompliance with ADB's operational policies and procedures, including SPS.

7. Results Monitoring

¹ Disbursement Ratio is defined as the volume (e.g. the dollar amount) of total disbursed amount as a percentage of the net committed volume.

BRACE focuses on the Government's efforts for socio-economic recovery, strengthening of macroeconomic management and supporting more sustained and inclusive growth. Key Results will include: (i) increased social protection measures; (ii) increased food security measures; and (iii) enhanced support for businesses. Results will be reported against indicators when available.

Remarks:
